10062. By Mr. WOLVERTON of West Virginia: Petition of Weston Council, No. 59, Junior Order of American Mechanics, by William Herron, D. F. Kelley, and W. L. Givens, committee, of Weston, W. Va., urging Congress to take action on legislation now pending to restrict immigration; to the Committee on Immigration and Naturalization.

10063. By Mr. WYANT: Petition of members of the Long Run Presbyterian Church, Westmoreland County, Pa., urging support of Sparks-Capper amendment to eliminate approximately 7,000,000 unnaturalized aliens and count only citizens in proposed congressional reapportionment; to the Committee on the Judiciary.

SENATE

SATURDAY, FEBRUARY 21, 1931

(Legislative day of Tuesday, February 17, 1931

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	Keyes	Schall
Barkley	Frazier	King	Sheppard
Bingham	George	La Follette	Shipstead
Black	Gillett	McGill	Shortridge
Blaine	Glenn	McKellar	Smith
Borah	Goff	McNary	Smoot
Bratton	Goldsborough	Morrison	Steiwer
Brock	Gould	Morrow	Stephens
Brookhardt	Hale	Moses	Swanson
Broussard	Harris	Norbeck	Thomas, Idaho
Bulkley	Harrison	Norris	Thomas, Okla.
Capper	Hastings	Nye	Trammell
Caraway	Hatfield	Oddie	Tydings
Carey	Hawes	Partridge	Vandenberg
Connally	Hayden	Patterson	Wagner
Copeland	Hebert	Phipps	Walcott
Couzens	Heflin	Pittman	Walsh, Mass.
Cutting	Howell	Ransdell	Waterman
Dale	Johnson	Reed	Watson
Davis	Jones	Robinson, Ark.	Wheeler
Fess	Kendrick	Robinson, Ind.	Williamson

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

NOTICE OF ADDRESS ON WASHINGTON AND HIS CONTEMPORARIES

Mr. BARKLEY. Mr. President, I ask unanimous consent that on Monday, following the reading of Washington's Farewell Address, I may deliver a brief address on Washington and his contemporaries.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the request is granted.

TABLET TO NANCY HART (S. DOC. NO. 290)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a supplemental estimate of appropriation, fiscal year 1931, to remain available until expended, for the War Department, for a tablet to Nancy Hart, amounting to $650, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

FOURTH PAN AMERICAN COMMERCIAL CONFERENCE (S. DOC. NO. 291)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, an estimate of appropriation for the Department of State, fiscal year 1931, to remain available until June 30, 1932, amounting to $15,000, to enable the Pan American Union to meet the expenses of the Pan American Commercial Conference to be held in Washington, D. C., in 1931, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

CONSTRUCTION OF FACILITIES ON GOVERNMENT ISLAND, ALAMEDA, CALIF. (S. DOC. NO. 292)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a supplemental estimate of appropriation for the Department of Agriculture, fiscal year 1931, to remain available until expended, amounting to $800,000, for the construction of facilities for the Bureau of Public Roads and Forest Service of the Department of Agriculture, and the Coast Guard of the Treasury Department, on Government Island, Alameda, Calif., which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

OMAHA, NEBR., FEDERAL BUILDING AND BINGHAM CANYON, UTAH, POST OFFICE (S. DOC. NO. 289)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a draft of proposed legislation pertaining to an existing appropriation for the Treasury Department for sites and construction, public buildings act, of May 25, 1926, as amended—Omaha, Nebr., Federal office building (estimated total cost $740,000), and Bingham Canyon, Utah, post office, etc. (estimated total cost $75,000), which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

PRINTING AND BINDING, COURT OF CUSTOMS AND PATENT APPEALS (S. DOC. NO. 293)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a supplemental estimate of appropriation for the Department of Justice, fiscal year 1931, amounting to $2,900, for printing and binding for the United States Court of Customs and Patent Appeals, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

JUDGMENTS RENDERED BY THE COURT OF CLAIMS (S. DOC. NO. 294)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, in compliance with law, records of judgments rendered by the Court of Claims, which have been submitted by the Attorney General through the Secretary of the Treasury and requiring an appropriation for their payment—under the Navy Department, $36,145, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a telegram from C. W. Taintor, of Wellton, Ariz., stating "Please make orderly arrest for fair judicial consideration of those United States citizens responsible for shooting Nicaraguan marines evacuating Nicaragua now," which was referred to the Committee on Naval Affairs.

Mr. MORROW presented petitions of sundry citizens of the State of New Jersey, praying for the passage of legislation for the exemption of dogs from vivisection in the District of Columbia, which were referred to the Committee on the District of Columbia.

He also presented resolutions adopted by the Board of Chosen Freeholders of Salem County, N. J., favoring the passage of House bill 10887 and Senate bill 1498, providing for the granting of a franchise to the Delaware-New Jersey Bridge Co. for the building of a bridge across Delaware River between Delaware and New Jersey by the use of private capital, which were referred to the Committee on Commerce.

He also presented petitions numerously signed by sundry citizens of the State of New Jersey, praying for the prompt ratification of the World Court protocols, which were referred to the Committee on Foreign Relations.

He also presented a letter in the nature of a memorial from the Rosary Society of Saint Teresa's Church, Summit, N. J., remonstrating against the passage of the so-called birth control bill, being the bill (S. 4582) to amend section 305 (a) of the tariff act of 1922, as amended, and sections 211, 245, and 312 of the Criminal Code, as amended, which was referred to the Committee on the Judiciary.

He also presented the petition of Cora L. Hartsborn, chairman of the Short Hills (N. J.) committee of the New

Jersey Birth Control League, of Millburn Township, and sundry other citizens in the State of New Jersey, praying for the passage of the so-called "doctors' bill," being the bill (S. 4582) to amend section 305 (a) of the tariff act of 1922, as amended, and sections 211, 245, and 312 of the Criminal Code, as amended, which was referred to the Committee on the Judiciary.

Mr. GOLDSBOROUGH presented petitions numerously signed by sundry citizens of the State of Maryland, praying for the prompt ratification of the World Court protocols, which were referred to the Committee on Foreign Relations.

He also laid before the Senate petitions of sundry citizens of the State of Maryland, praying for the passage of legislation making The Star-Spangled Banner the national anthem, which were ordered to lie on the table.

He also presented resolutions adopted by the Maryland Chapter, Rainbow Division of the World War Veterans, favoring amendment of the veterans' act of 1924 to permit the Veterans' Bureau to antedate the certificates issued thereunder to a date five years prior to the present date of such certificates and providing for the maturity of the certificates at 20 years from the new date thereof, thereby allowing an immediate increased loan value to the veterans, which were referred to the Committee on Finance.

RESTRICTION OF IMMIGRATION

Mr. COPELAND presented a letter from Endwell Council, No. 186, Junior Order United American Mechanics, of Endwell, N. Y., relative to the restriction of immigration for a period of two years, which was referred to the Committee on Immigration and ordered to be printed in the RECORD, as follows:

ENDWELL, N. Y., *February 18, 1931.*

Hon. ROYAL S. COPELAND,
Senate Office Building, Washington, D. C.

DEAR SIR: In order to protect our American labor, the Junior Order United American Mechanics of Endwell Council, No. 186, Endwell, N. Y., urges you to give House Joint Resolution No. 473 your support.

Please have this printed in the CONGRESSIONAL RECORD.

Thanking you in advance, I remain, sincerely yours,

LYNN KING, *Recording Secretary.*

REPORTS OF COMMITTEES

Mr. PATTERSON, from the Committee on Military Affairs, to which was referred the bill (S. 6159) for the relief of Joseph E. Myers, reported it with an amendment and submitted a report (No. 1717) thereon.

Mr. MORROW, from the Committee on Military Affairs, to which was referred the bill (H. R. 1429) for the relief of Thomas Barrett, reported it without amendment and submitted a report (No. 1718) thereon.

Mr. FRAZIER, from the Committee on Indian Affairs, to which was referred the bill (S. 6146) to provide for distribution of tribal funds of the Puyallup Indians of the State of Washington, reported it without amendment and submitted a report (No. 1719) thereon.

Mr. GOULD, from the Committee on Immigration, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

H. R. 3309. An act to provide extra compensation for overtime service performed by immigrant inspectors and other employees of the Immigration Service (Rept. No. 1720); and

H. R. 10672. An act to amend the naturalization laws in respect of posting of notices of petitions for citizenship (Rept. No. 1723).

Mr. HEBERT, from the Committee on the Judiciary, to which was referred the bill (H. R. 12095) to amend section 113 of the Judicial Code, as amended (sec. 194, title 28, U. S. C.), reported it with amendments and submitted a report (No. 1721) thereon.

Mr. STEIWER, from the Committee on the Judiciary, to which was referred the joint resolution (S. J. Res. 194) authorizing and directing the Comptroller General of the United States to reopen, adjust, and settle the accounts of the city of Baltimore for advances made by the city in 1863 for the construction of works of defense, and for other purposes, reported it without amendment and submitted a report (No. 1722) thereon.

Mr. NYE, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them severally with amendments, and submitted reports thereon:

S. 5616. An act to amend an act entitled "An act to provide for the creation of the Colonial National Monument in the State of Virginia, and for other purposes," approved July 3, 1930 (Rept. No. 1724);

S. 6128. An act to amend sections 17 and 27 of the general leasing act of February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 184 and 226), as amended (Rept. No. 1725); and

H. R. 11969. An act withdrawing certain public lands from settlement, location, filing, entry, or disposal under the land laws of the United States for the protection of the watershed supplying water to the city of Los Angeles, Calif., and for other purposes (Rept. No. 1726).

Mr. NYE also, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 14248) to provide for the disposition of asphalt, gilsonite, elaterite, and other like substances on the public domain, reported it without amendment and submitted a report (No. 1727) thereon.

SURVEY OF COOPERATIVE CREDIT LAWS AND SYSTEMS

Mr. BROOKHART, from the Committee on Banking and Currency, to which was referred the resolution (S. Res. 408) to make a complete survey of cooperative credit laws and systems (submitted by himself on January 19, 1931), reported it with amendments, and moved that the resolution be referred to the Committee to Audit and Control the Contingent Expenses of the Senate, which was agreed to.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMITH:

A bill (S. 6220) granting the consent of Congress to the Charleston & Western Carolina Railway Co. to construct, maintain, and operate a railroad bridge across the Savannah River at or near Augusta, Ga.; to the Committee on Commerce.

By Mr. VANDENBERG:

A bill (S. 6221) to provide for the establishment of the Isle Royale National Park, in the State of Michigan, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. HARRIS:

A bill (S. 6222) for the relief of Louis H. Crawford, United States marshal, northern district of Georgia (with accompanying papers); to the Committee on Claims.

By Mr. THOMAS of Oklahoma:

A bill (S. 6223) for the relief of Elizabeth Casteel; to the Committee on Claims.

By Mr. BINGHAM:

A bill (S. 6224) regulating the use of appropriations for the military and nonmilitary activities of the War Department; to the Committee on Military Affairs.

By Mr. DALE:

A bill (S. 6225) granting an increase of pension to Jessie R. Greene; to the Committee on Pensions.

By Mr. SWANSON:

A bill (S. 6226) for the relief of Mildred B. Crawford; to the Committee on Claims.

By Mr. COPELAND and Mr. HATFIELD:

A bill (S. 6227) to provide for cooperation with the several States and Territories in the physical rehabilitation, education, vocational guidance, and vocational education of physically handicapped children and their placement and follow-up in employment, and for other purposes; to the Committee on Education and Labor.

AMENDMENTS TO SECOND DEFICIENCY APPROPRIATION BILL

Mr. TRAMMELL submitted an amendment proposing to appropriate $134,466.69 for the relief of the State of Florida for damage to and destruction of roads and bridges by floods in 1928 and 1929, intended to be proposed by him to

House bill 17163, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. THOMAS of Idaho submitted an amendment proposing to increase the appropriation for the eradication or control of the white-pine blister rust, etc., from $50,000 to $75,000, and proposing to increase the appropriation for maintenance, improvement, protection, and general administration of the national forests, etc., from $150,000 to $200,000, intended to be proposed by him to House bill 17163, the second deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. CAPPER submitted an amendment intended to be proposed by him to House bill 17163, the second deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 126, line 10, to insert the following:

"The sums of $144,000 for noncommissioned officers' quarters and $145,000 for barracks at Marshall Field, Fort Riley, Kans."

JOSEPH S. M'COY

Mr. WALSH of Massachusetts submitted the following resolution (S. Res. 461), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Ella McCoy, widow of Joseph S. McCoy, late the Government Actuary in the Treasury Department and an expert adviser to the Finance Committee of the Senate, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

CONSERVATION OF WILD-ANIMAL LIFE

Mr. WALCOTT submitted the following resolution (S. Res. 462), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the special committee authorized and directed by Senate Resolution No. 246 on April 17, 1930, to investigate the conservation of wild-animal life, hereby is authorized to expend in furtherance of such purposes $15,000 in addition to the amounts heretofore authorized.

ADDITIONAL ASSISTANT IN THE OFFICE OF THE SECRETARY

Mr. PATTERSON submitted the following resolution (S. Res. 464), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate is authorized and directed to employ permanently an additional assistant in the office of the Secretary of the Senate, to be paid at the rate of $2,400 per annum out of the contingent fund of the Senate. It shall be the duty of such clerk to inform, by written notice, the author of every Senate bill or resolution and, upon request, any other Senator or Representative, as to the progress of such bill or resolution through its various legislative stages to final passage, including public hearings thereon before any Senate committee. The clerks of Senate committees shall promptly notify such clerk of any action taken by their respective committees on any such bill or resolution.

WICKERSHAM COMMISSION DATA

Mr. TYDINGS. Mr. President, I should like to ask the Chair a question. As I understand it, the data obtained by the Wickersham Commission have been sent to the Senate. I believe that only one copy of the data has been sent to the Senate. I am wondering if anything is to be done to provide Senators with copies of the statement.

The VICE PRESIDENT. It can be referred to the Committee on Printing with the request that it be printed.

Mr. TYDINGS. I ask unanimous consent that it be referred to the Committee on Printing with instructions to report back ordering the printing of such a number of copies that we may all be supplied with them.

The VICE PRESIDENT. The Chair thinks the request is out of order.

Mr. TYDINGS. May I ask the chairman of the committee if he will not provide for the printing, so that each Senator can get at least a copy of the data?

Mr. SMOOT. Mr. President, the chairman of the Committee on Printing is not in the Chamber at the moment, but I have no doubt the question will be considered by the committee.

The VICE PRESIDENT. The request will be referred to the Committee on Printing.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 506) for the relief of Patrick P. Riley.

The message also announced that the House had passed a bill (H. R. 16111) to amend sections 1 and 7 of the second Liberty bond act, as amended, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (S. J. Res. 49) to provide for the national defense by the creation of a corporation for the operation of the Government properties at and near Muscle Shoals, in the State of Alabama, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 458. An act for the relief of Catherine Panturis;

H. R. 504. An act for the relief of James Earl Brigman;

H. R. 2694. An act for the relief of the widow of Robert Graham Moss;

H. R. 3187. An act for the relief of Agnes Loupinas;

H. R. 7272. An act to provide for the paving of the Government road across Fort Sill (Okla.) Military Reservation;

H. R. 9803. An act to amend the fourth proviso to section 24 of the immigration act of 1917, as amended;

H. R. 14246. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1932, and for other purposes;

H. R. 15256. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1932, and for other purposes;

H. R. 15593. An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1932, and for other purposes; and

H. R. 16110. An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1932, and for other purposes.

HOUSE BILL REFERRED

The bill (H. R. 16111) to amend sections 1 and 7 of the second Liberty bond act, as amended, was read twice by its title and referred to the Committee on Finance.

EXECUTIVE MESSAGES AND APPROVALS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, and also announced that the President had approved and signed the following acts and joint resolution:

On February 19, 1931:

S. 5069. An act authorizing the Secretary of the Navy to deliver to the State of Utah the silver service which was in use on the battleship *Utah;* and

S. 5246. An act to amend the act entitled "An act for the erection of a tablet or marker to be placed at some suitable point between Hartwell, Ga., and Alfords Bridge in the county of Hart, State of Georgia, on the national highway between the States of Georgia and South Carolina, to commemorate the memory of Nancy Hart."

On February 20, 1931:

S. 4636. An act to authorize the Secretary of War to resell the undisposed-of portion of Camp Taylor, Ky., approximately 328 acres, and to also authorize the appraisal of property disposed of under authority contained in the acts of Congress approved July 9, 1918, and July 11, 1919, and for other purposes;

S. 4799. An act to extend the times for commencing and completing the construction of bridges across the Missouri

River at or near Farnam Street, Omaha, Nebr., and at or near South Omaha, Nebr.;

S. 5314. An act to amend the Federal highway act;

S. 5677. An act to authorize the Secretary of the Treasury to prepare and manufacture a medal in commemoration of the one hundred and fiftieth anniversary of the surrender of Lord Cornwallis at Yorktown, Va., and of the establishment of the independence of the United States;

S. 5825. An act granting the consent of Congress to the State of California to construct, maintain, and operate a bridge across the Bay of San Francisco from the Rincon Hill district in San Francisco by way of Goat Island to Oakland;

S. 5887. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at Mound City, Ill.;

S. 5921. An act authorizing Dalles City, a municipal corporation, its successors and assigns, to construct, maintain, and operate a bridge across the Columbia River at or near The Dalles, Oreg.;

S. 5952. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River approximately midway between the cities of Owensboro, Ky., and Rockport, Ind.;

S. 5987. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Culbertson, Mont.;

S. 6064. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Cannelton, Ind.;

S. 6105. An act to authorize the construction on Government Island, Alameda, Calif., of buildings required by the Bureau of Public Roads and Forest Service of the Department of Agriculture and the Coast Guard of the Treasury Department; and

S. J. Res. 183. Joint resolution authorizing the Secretary of Agriculture to cooperate with the Territories of the United States under the provisions of sections 1 and 2 of the act of Congress entitled "An act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor."

AMERICAN MARINES IN NICARAGUA (S. DOC. NO. 288)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed:

To the Senate of the United States:

In response to Senate Resolution 386 of January 5, 1931, I transmit herewith a report by the Secretary of State inclosing a memorandum and copies of documents referred to therein.

HERBERT HOOVER.

THE WHITE HOUSE, *February 21, 1931.*

The accompanying letter of the Secretary of State was ordered to be printed in the RECORD, as follows:

THE PRESIDENT:

The undersigned, the Secretary of State, to whom was referred Senate Resolution 386, of January 5, 1931, reading as follows:

"*Resolved*, That the Secretary of State be, and he is hereby, requested to transmit to the Senate all communications, documents, reports, and agreements, since 1924, or copies thereof, relating to the landing or maintenance of United States marines in Nicaragua; and all notes, communications, or agreements, or copies thereof, passing between the Governments of the United States and Nicaragua, concerning elections to be held in Nicaragua, the formation and training of the constabulary or native police of Nicaragua; the duties to be performed by said constabulary and by United States marines; the mode of compensating said constabulary and the amount thereof"—

has the honor to inform the President that there are attached hereto, with a view to their transmission to the Senate should the President's judgment approve thereof, copies of all notes, communications, or agreements passing between the Governments of the United States and Nicaragua concerning the elections in Nicaragua, the formation and training of the constabulary or native police in Nicaragua, the duties to be performed by said constabulary and by United States marines, and the mode of compensating said constabulary and the amount thereof.

There is also attached hereto a statement regarding the landing or maintenance of United States marines in Nicaragua since the present administration took office, together with copies of all communications, documents, reports, or agreements relating to the landing or maintenance of such United States marines in Nicaragua since the present administration took office.

The Secretary of State has the honor to inform the President after thorough consideration of the matter and an examination of the papers that he has reached the conclusion that it would not be compatible with the interests of the United States to furnish the papers relating to the landing or maintenance of United States marines in Nicaragua prior to the present administration. He will, however, be glad to go before the Foreign Relations Committee of the Senate in executive session with copies of all these documents should that be the desire of the Senate or of the Foreign Relations Committee.

HENRY L. STIMSON.

AN EXTRA SESSION AND THE SEVENTY-SECOND CONGRESS

Mr. FRAZIER. Mr. President, a great deal has been said about an extra session, the possibility of it and the advisability of it. Of course, there is much that might be said both for and against a special session. I have a statement prepared by Dr. Arthur MacDonald, of this city, which may be termed a scientific analysis of the subject. I ask unanimous consent that it be printed in the RECORD at this point.

The VICE PRESIDENT. Without objection, it is so ordered.

The statement is as follows:

THE EXTRA SESSION

By Dr. Arthur MacDonald, Washington, D. C.

In the history of Congress, there seems not to have been a Congress where the political parties of both Houses were so evenly divided as will be the case in the next Congress. From the table, giving the percentages of deaths for five Congresses preceding the next Congress, it will be seen that, relatively, the mortality of Republicans is distinctly greater than that of the Democrats.

Percentages of deaths

Congress	Senate		House	
	Republican	Democrat	Republican	Democrat
Seventy-first	6	5	5	6
Seventieth	4	4	4	2
Sixty-ninth	11	5	3	1
Sixty-eighth	11	0	4	5
Sixty-seventh	5	2	4	5
All	7.4	3.2	4	3.8

If an extra session occurs soon after March 4, in all probability the Republicans will reorganize the next Congress; but by next December it seems equally probable that the Democrats will reorganize Congress.

The Republicans have been in power much longer than the Democrats in recent times; they are, therefore, older and naturally more deaths occur among them. The very large Republican majority in the House will disappear, leaving mostly the older Republicans. Moreover, the large number of new Democratic Members will naturally be younger and will show a much lower mortality; so that if there be no extra session, the probabilities of the Democrats reorganizing the next Congress are very great.

From the Republican point of view, an early extra session (no matter how much it is undesired) will be more advantageous than to take the chances of reorganization by the Democrats.

From the Democratic point of view, no extra session will, in all probabilities, be to their advantage.

The predicted evils to business of an extra session may be, in general, true; but in the coming Congress, beyond the supply bills, there can be very little legislation unless it is very generally agreed to; that is, almost requiring unanimous consent, so that it is very liable to be very good legislation.

In short, minimum legislation of maximum quality may characterize the next Congress. This will make it represent the people most fully and may turn out to be a model Congress.

ANALYSIS OF TABLE

Senate

According to the table above, from the Sixty-seventh Congress up to the present time, more than twice as many Republican Senators have died as Democratic Senators, that is, relative to their respective numbers. (See end of table.)

In the present Congress, 6 per cent of Republicans and 5 per cent of Democrats have died (first line). In the Seventieth Congress, the percentages of deaths are equal; in the Sixty-ninth Congress the deaths of Republican Senators are relatively twice (11

per cent) as numerous as the deaths of Democratic Senators (5 per cent); in the Sixty-eighth Congress 11 per cent of Republicans died and no Democrats. In the Sixty-seventh Congress more than twice as many Republicans (5 per cent) died than Democrats (2 per cent). If between March 4 and December (9 months) next, the proportions continue, it is extremely probable that the Democrats will have a majority in the Senate and reorganize the Senate. In addition to this probability, there are a number of Republicans whose States have Democratic governors, who in case of their deaths would appoint Democrats.

House

In the House the proportions are not as large for the five Congresses (67th to 71st), 4 and 3.8 per cent, respectively, but, as already noted, about 100 Democrats come into the House, and naturally they are much younger, and the relative number of deaths would be less, and therefore will increase the probability of a majority of Democrats December next, and doubtless will reorganize the House.

NAVAL APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 16969) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1932, and for other purposes.

The VICE PRESIDENT. The pending amendment of the Committee on Appropriations will be stated.

The CHIEF CLERK. On page 47, line 3, strike out "$23,600,000" and insert "$31,100,000," so as to read:

INCREASE OF THE NAVY

Construction and machinery: On account of hulls and outfits of vessels and machinery of vessels heretofore authorized, $31,100,000, to remain available until expended: *Provided*, That of the appropriations contained in this act under the head of "Increase of the Navy," there shall be available such sums as the Secretary of the Navy may from time to time determine to be necessary for the engagement of technical services, including the purchase of plans, and the employment of additional clerks, draftsmen, technical employees, and store-laborers (not to exceed $20,000), in the Navy Department and in the field, owing to the construction authorized by the act of February 13, 1929.

Mr. FRAZIER. Mr. President, with reference to the pending amendment, I want to say just a few words on the subject of destroyers. When the bill was before the House of Representatives, Congressman FRENCH, of Idaho, who is chairman of the subcommittee having charge of the bill in the House, inserted in the RECORD a table, which appears at page 4519, under date of February 10, giving the tonnage of destroyers of the United States as of January 15, 1930, as 299,304 tons, and stating that the London conference set the amount of tonnage for destroyers for the United States at 150,000 tons. The table also gives Great Britain's tonnage as of the same date as 196,761 tons, and Japan's tonnage in destroyers as 129,375 tons. Their limit under the treaty is 105,500 tons each.

Mr. President, the amendment provides for the beginning of work on 11 new destroyers, providing $7,500,000 for that purpose. It seems to me, in these hard times especially, an amendment of this kind is unwarranted. In view of the fact that we have a larger number of destroyers and more tonnage than the other nations concerned, it would appear to me, even though some of the destroyers were what might be termed obsolete, that nevertheless the proposal is not justified. Of course, the term "obsolete" is overworked in the Navy Department anyway. Some of our battleships and other war craft are termed "obsolete" by the naval experts before they are completed. I presume if these new destroyers were laid down and this amendment adopted some one in the Navy Department would term the craft "obsolete" before they were completed.

So it seems to me this amendment should be rejected. There are a great many ways in which the money of the taxpayers of this Nation can be spent to better advantage, in my opinion, than by now laying down new destroyers. I hope the Senate will follow the action of the House and reject this amendment, and that a record vote may be had on it.

The VICE PRESIDENT. The question is on agreeing to the amendment.

REGULATION OF SECURITY SALES AND MORTGAGES IN THE DISTRICT

Mr. BLAINE. Mr. President, I ask unanimous consent for the immediate consideration of Senate bill 3491, relating to the sale of stocks and bonds and securities within the District of Columbia, and I hope the Senator from Maine will agree to that request.

The VICE PRESIDENT. Let the bill referred to by the Senator from Wisconsin be stated by title.

The CHIEF CLERK. Order of Business 1717, being the bill (S. 3491) to prevent fraud in the promotion or sale of stock, bonds, or other securities sold or offered for sale within the District of Columbia; to control the sale of the same; to register persons selling stocks, bonds, or other securities; and to provide punishment for the fraudulent or unauthorized sale of the same; to make uniform the law in relation thereto, and for other purposes.

The VICE PRESIDENT. Is there objection to the request of the Senator from Wisconsin?

Mr. HALE. Mr. President, I know nothing whatever about this particular bill, but I must take the ground that, with the naval appropriation bill before the Senate, I must object to all unanimous-consent requests.

Mr. BLAINE. Mr. President, I want to make another request for unanimous consent. I ask unanimous consent that the Senate proceed to the consideration of Order of Business, No. 1716, being Senate bill 3489, relating to the foreclosure of mortgages and trust deeds in the District of Columbia.

The VICE PRESIDENT. Let the bill be stated by title.

The CHIEF CLERK. Order of Business 1716, a bill (S. 3489) to regulate the foreclosure of mortgages and deeds of trust in the District of Columbia, and for other purposes.

The VICE PRESIDENT. Is there objection?

Mr. HALE. I must make the same objection to the consideration of this bill.

The VICE PRESIDENT. Objection is made.

Mr. BLAINE. Mr. President, I am sorry that the Senator from Maine has objected. In the order in which I made the request to consider these bills, I desire to make motions. The questions involved in these measures ought, I think, to be settled by the Congress of the United States. They are far more important to the innocent investors in the District of Columbia and throughout the country than is any naval appropriation bill or any other appropriation bill at this time. There is plenty of time in which to pass the naval appropriation bill, but we are in the throes of the last days of a Congress and we are also in the throes of a serious financial situation in the District of Columbia. Many of the bond and security companies in the District are nothing more than shells; they are houses of cards, and they are tumbling down every month to the great loss and distress of thousands and tens of thousands of innocent investors, not alone in the District of Columbia but as well throughout the United States.

Mr. ROBINSON of Arkansas. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Arkansas?

Mr. BLAINE. I yield.

Mr. ROBINSON of Arkansas. May I ask the Senator, if it is practicable for him to do so, to state the substantial provisions of the bills to which he refers? Can the Senator summarize and give the gist of them without difficulty?

Mr. BLAINE. I shall be glad to do so; but before making the statement in response to the Senator from Arkansas, I desire to make a motion that the Senate proceed to the consideration of Calendar No. 1717, being Senate bill 3491.

Mr. FESS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. FESS. I desire to know whether the Senator from Wisconsin [Mr. BLAINE] has made a motion?

The VICE PRESIDENT. The Senator from Wisconsin has moved to proceed to the consideration of the bill indicated by him.

Mr. FESS. Then, I inquire whether or not the motion made by the Senator from Wisconsin is debatable?

The VICE PRESIDENT. The motion is debatable after 2 o'clock, and, as the Senate convened to-day after a recess, it is now considered to be after 2 o'clock.

Mr. BLAINE. Answering the Senator from Arkansas [Mr. ROBINSON], I desire to state that the first bill to which I made reference is popularly known as the "blue sky law."

Mr. HASTINGS. Mr. President, may I inquire whether the bill referred to by the Senator from Wisconsin was unanimously reported from the committee?

Mr. BLAINE. The Senate adopted a resolution some time ago authorizing the District Committee or a subcommittee thereof to investigate three subjects: The question of licensing real-estate brokers; the question of regulating the issue and sale of bonds and securities; and the question of the foreclosure of mortgages or trust deeds within the District of Columbia. That committee has held many hearings and has developed many facts, and, as a result of those hearings, has submitted a report, together with the two bills, one relating to securities and the other relating to the foreclosure of mortgages, on which it desires favorable action.

The bill relating to the licensing of realtors passed the Senate, as I recall, on May 22, 1930, and went to the House and there remains. The bill has not been taken up in the House. The committee to which I have referred, a subcommittee of the District of Columbia Committee, made its report and submitted two bills, as to one of which I have made a motion to proceed to its immediate consideration.

Mr. HASTINGS. My inquiry was whether the District Committee was unanimous in its recommendation? My purpose was to ascertain whether the bill would be likely to consume much time.

Mr. BLAINE. As I have explained, the resolution directed the District Committee or a subcommittee thereof to make an investigation and report to the Senate, and, in compliance with that resolution, the subcommittee made its report to the Senate and that report is before the Senate, together with the two bills upon which the report was made.

Mr. SWANSON. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Virginia?

Mr. BLAINE. I yield.

Mr. SWANSON. I understand the calendar will be called on Monday and the bill in which the Senator from Wisconsin is interested will then be reached in its regular course, and under Rule VIII a motion can be made to proceed to its consideration. Would the Senator be content to withdraw his motion and defer action until his bill is called on Monday next?

Mr. BLAINE. I would not be content to do that and have the 5-minute rule apply to debate on the measure. The subject is of too much general importance to the country at large and the people of the District of Columbia to follow that course. From my standpoint I think it is important legislation, at least the most important District legislation that has received a favorable report.

The securities bill, the blue sky law proposal, runs along the lines generally adopted by the respective States. It is a bill which has grown out, not so much from the minds of the subcommittee, but rather the subcommittee has taken what has become known as the uniform securities bill. That uniform securities bill has been adopted in many States of the Union. It was worked out by what is known as the National Commission on Uniformity of Legislation. I think every State in the Union appointed a commissioner who sat upon that national commission, and that national commission worked upon this proposition for seven years. Upon that commission were men of experience and standing, including some of the very best lawyers in our country, some of the very keenest bankers, and many men who are interested in the business of buying and selling bonds and securities but who wanted protection against those who would defraud the people. They were represented on that commission. As a matter of fact, the commission has been constituted as a very conservative commission. The bill does not go as far as I would go, but the bill does go as far as those commissioners have recommended, and those commissioners recommended this uniform bill, as I have said, after seven years of study.

I submit that under those circumstances the bill before us is not a radical bill; it is a conservative bill; and, in my opinion, Mr. President, the recent failures that have taken place in the securities business in the District of Columbia could not and would not have been brought about had the District of Columbia had this securities law. During the progress of debate on this matter I shall point out specifically what this bill proposes to do. It creates a bureau in one of the departments of the District of Columbia government which will have supervision of licensing agents and those who deal in bonds and securities. Those agents, whether they are principals or employees, must get a permit from this bureau before they can engage in the business of selling bonds and securities. Then there must be filed with this official institution full details of proposals to issue bonds and securities, and there will be an investigation conducted and an appraisal made of the properties proposed to be hypothecated upon which bonds and securities shall issue. The bill also outlines generally the procedure by which this may be done. That, in essence, is the purpose of the bill. Before anyone shall have the right to issue securities or sell securities or bonds he must first obtain the permission of the bureau which is to be set up in one of the departments of the District of Columbia government. So, there will be complete supervision, not only as to the issuing of bonds but also with respect to the issuing of licenses to those who desire to sell bonds and securities.

Mr. President, this bill is of special significance at this very time. As I said in the opening, the bond business in the District of Columbia to-day is just a shell, and it is crumbling, and it is crumbling to the distress of widows, to the distress of guardians and administrators; for that distress follows for those who have had life savings and have invested those life savings in these bonds and securities the value of which in many instances is only 50 per cent of the face value; and yet these widows and these innocent investors have paid 100 per cent of the face value in the purchase of these bonds and securities, and to-day many of them are left helpless and penniless.

I have the testimony of women in the District of Columbia who had savings of ten or fifteen thousand dollars' worth of property, a little home, or perchance they were living with a son or daughter. They had been led by false advertisements, by false representations, to make investments in what appeared to them to be the most substantial business organizations of the District of Columbia. Within the last two weeks their entire savings have been swept away, wiped out, and to-day they may be objects of chairty, or they may be on the way "over the hill to the poorhouse."

It is a most distressing situation, a most distressing condition; and I am sorry that the Senator from Maine has interposed an objection to the present consideration of these bills. The fact is, Mr. President—and I think I can demonstrate my proposition—that the importance of these bills is of such a high character that I feel it my duty, if necessary, to stand upon the floor of the Senate for the remainder of the day so that I may outline to the Senator from Maine the distressed condition of thousands of people by reason of the fact that the Congress of the United States has not hedged about these bonds and other obligations with real security for the protection of the innocent holder.

What has happened? Only on yesterday we find published in the New York Times of February 20, 1931, two notices. One notice refers to the "bondholders' protective committee, Wardman Real Estate Properties (Inc.)"—I am reading the language of the notice—"first and refunding mortgage gold bonds, dated September 1, 1928."

A little over two years ago these so-called first and refunding mortgage gold bonds were issued. They were not first mortgage; some of them are not refunding mortgage gold bonds. At least, the advertisement did not disclose the facts honestly. These bonds were sold just a little over two years ago; and at this very moment that entire organization, as I said, is a mere shell, and is now crumbling rapidly, as does a house of cards.

What is proposed? This notice is addressed:

To the holders of Wardman Real Estate Properties (Inc.) first and refunding mortgage gold bonds:

I will read the notice:

We are informed that Wardman Real Estate Properties (Inc.) will be unable to pay the interest due March 1, 1931, on its first

and refunding mortgage gold bonds issued under its first and refunding mortgage, dated September 1, 1928, to Central Union Trust Co., of New York, as trustee. In view of this condition, it is imperative that the holders of the bonds unite for the enforcement and protection of their rights. The undersigned, representing holders of a substantial amount of these bonds, have, therefore, consented to serve as members of a committee organized for the sole purpose of protecting the bondholders' interests.

We stress the advisability of your prompt action in depositing your bonds in order that power may be given to the committee to take such action as in their discretion will be necessary to protect your interests to the fullest degree. We recommend that all bondholders deliver or forward their bonds by registered mail at once to the depositary or the subdepositary below named accompanied by a signed letter of transmittal, against which an appropriate certificate of deposit will be issued. These bonds will be held under a deposit agreement, copies of which may be obtained from the depositary, the subdepositary, or the secretary of the committee.

NEW YORK, N. Y., *February 20, 1931.*

Then the names of the committee are given, and the name of the secretary, and the counsel, the name of the depositary, and the name of the subdepositary.

Those constitute only a part of the liens or mortgages against the so-called Wardman properties. Permit me here to suggest that, as I understand the situation, Mr. Wardman, well known here in the District, is no longer connected with these properties; or, at least, the evidence does not disclose that he has any interest presently in these properties. He declined before the committee to permit an inspection of his books; and inasmuch as the committee did not know what books he might possess, the committee found that it had no authority to subpœna something about which it knew nothing. Having acquired no information from Mr. Wardman, the committee therefore could not pursue its investigation respecting the facts that might be disclosed by the books that Mr. Wardman had; and we had to resort to other sources in order to obtain the information which we might have obtained from an inspection of Mr. Wardman's books. I shall go into the details of this before I conclude.

In the same issue of the New York Times, and immediately following the bondholders' protective committee notice, is another notice that relates to the debenture holders' protective committee of the Wardman Realty & Construction Co. 6½ per cent gold debentures due 1938. I will read that notice:

To the holders of 6½ per cent gold debentures of Wardman Realty & Construction Co.:

We are informed that Wardman Realty & Construction Co. has failed to make the sinking-fund payment due on February 1, 1931, as provided in an indenture, dated as of September 1, 1928.

These debenture bonds were issued only a short time ago, slightly over two years ago. Here, again, we find this financial organization a mere shell, the value of which has been inflated to balloon dimensions; not only the stocks filled with water but the securities, whether bonds or notes or debenture certificates, or in whatever form the so-called securities might have been issued. Every one of them, without a single exception, was inflated almost 100 per cent. In fact, there is no chance in the world for any of the investors in these properties to realize upon their investment, except possibly a fractional part under the first-mortgage lien. Every investor who has a subsequent lien will lose every dollar that he invested in these properties. And yet the Senator from Maine, possessed of that warlike nature of his, ready to go out and do battle to protect the American flag, is quite willing to postpone a consideration of essential legislation necessary to protect the women and the men who have been careful enough and prudent enough to save a few thousand dollars so that they might be taken care of during the twilight hour of their lives, so that they might not depend upon charity or depend upon relatives, so that they might not take the last detour "over the hill to the poorhouse." These men and women have been sold down the river; but this courageous warrior, battling for the protection of the American flag, appears to be quite willing, through his objections, to permit other men and women to be sold down river.

Let me read what this debenture holders' protective committee says.

(At this point Mr. BLAINE yielded to Mr. COPELAND to have read at the desk an article from the New York Times relating to the rise in stock prices and the price of seats on the New York Stock Exchange, which appears at the close of Mr. BLAINE'S speech.)

Mr. BLAINE. Mr. President, let me suggest at this point that a number of Senators have conferred with me respecting my attitude toward the passage of the naval appropriation bill. My purpose this morning is not to interfere with or obstruct the passage of the naval appropriation bill, but I think the question I am discussing is of such tremendous importance that I feel that now is the time when a sentiment should be developed in the Congress, if possible, so that these two bills might pass the Senate, and that all of the bills to which I have referred might pass the House before we adjourn. Therefore I did not want to defer discussion on these important matters until next week, when the Senate might be engaged in a tremendous amount of business and it might appear that I was merely an obstructionist.

I conceive that there is no great necessity for urging the passage of the naval appropriation bill to-day, and I also understood, though I may be mistaken, that the Senate would take an adjournment or a recess some time in the early afternoon, and by that time I can conclude my remarks.

Mr. President, I am going to have a considerable portion of the evidence in this matter read, either by myself or the clerk. I shall do so, not for the purpose of killing time but in order that there might be a complete record made of the entire proposition, so that the views of conservative newspapers might be considered by the Congress and by the country and that we might, perchance, develop an atmosphere in the Congress which would bring about the final adoption of the three bills.

Mr. President, I was reading from the notice of the debenture holders' protective committee securing the 6½ per cent gold debentures due in 1938 of said Wardman Realty & Construction Co. I repeat some that I have read from the announcement in the New York Times:

We are informed that Wardman Realty & Construction Co. has failed to make the sinking fund payment due on February 1, 1931, as provided in an indenture dated as of September 1, 1928, between said Wardman Realty & Construction Co. and American Exchange Irving Trust Co., as trustee, securing the 6½ per cent gold debentures due 1938 of said Wardman Realty & Construction Co.; and that Wardman Real Estate Properties (Inc.), all of the issued and outstanding stock of which company is owned and held by Wardman Realty & Construction Co., will be unable to pay the interest due March 1, 1931, on its first and refunding mortgage bonds. In view of this condition, it is imperative that the holders of the debentures unite for the enforcement and protection of their rights. The undersigned, representing holders of a substantial amount of these debentures, have consented to serve as members of a committee organized for the purpose of protecting the debenture holders' interests.

We stress the advisability of your prompt action in depositing your debentures in order that power may be given to the committee to take such action as in their discretion will be necessary to protect debenture holders' interests to the fullest degree. We recommend that debenture holders deliver or forward their debentures by registered mail at once to either Irving Trust Co., depositary, 60 Broadway, New York City, or Continental Illinois Bank & Trust Co., subdepositary, 231 South La Salle Street, Chicago, Ill. These debentures will be held under a deposit agreement, copies of which may be obtained from the depositary, the subdepositary, or the secretary of the committee, and appropriate certificates of deposit will be issued against the deposited debentures.

NEW YORK, *February 20, 1931.*

That is signed by the counsel, the secretary, the chairman, and the committeemen.

The name of the trust company, the depositary, is given at the close of the notice, as well as the name of the subdepositary.

Mr. President, this protective committee now being organized in New York for the Wardman Hotel Properties is made up of people closely connected with Halsey Stuart & Co. and other investment bankers responsible for the issue.

I want this noted, that the chairman of the protective committee is an employee or officer of Halsey Stuart & Co. I refer to Leonard L. Stanley.

Mr. COUZENS. Mr. President, is that the company which advises all the country how to invest money, through the "Old Counselor"?

Mr. BLAINE. The "Old Counselor" is the representative of Halsey Stuart & Co., which goes on the air very frequently, advising the country how to invest money.

Mr. COUZENS. The people of the country would have been bad off if they had followed that advice.

Mr. BLAINE. It has been exceedingly unfortunate for people who have followed Halsey Stuart & Co.'s advice in the past. This Halsey Stuart & Co., it may be of interest to note in passing, is the same company which had printed a speech made by Martin J. Insull, entitled "The Power Trust." Martin J. Insull is the president of the Middle West Utilities Co. The pamphlet which I hold in my hand, a copy of which I am sure every Senator has received by mail, is a reprint of an address delivered by Mr. Martin J. Insull, who was guest speaker on the Halsey Stuart & Co. radio program February 11, 1931, over a coast-to-coast network of the National Broadcasting Co. and associated stations.

Mr. COUZENS. May I at this point ask the Senator whether the committee made any inquiry as to the methods used by Halsey Stuart & Co. in promoting this issue?

Mr. BLAINE. Yes; I will disclose that as it occurs in the testimony.

There are quite a number of properties belonging to the Wardman properties organization, Mr. Wardman having disposed of his interest in them, as I understand, some time prior to the issuing of the last issue of stocks and bonds, and Halsey Stuart & Co. before they entered upon the sale of the stocks and bonds of the so-called Wardman properties had full access to Wardman's books. They knew that Mr. Wardman owed practically all of the banks in Washington, and it was to relieve the pressure on the banks, which were threatening to close in on Wardman properties, that the bond issue was conceived. When the bonds were issued, new books were opened and the property was marked up, new valuations were given to the property, inflated valuations on the new books over the old valuations to the extent of over $8,000,000, which represented nothing but water or air. It had no value at all. Yet that $8,000,000 was used as an asset upon which to base a stock and bond issue.

Halsey Stuart & Co. knew at the time they were financing this new arrangement that the Wardman properties had not been paying carrying charges. They knew that that organization was bound to fail. They could not help but know it. Yet they made representations to the public that these bonds and securities were gilt-edge, the very finest character of investment.

These same investment bankers are now organizing a "protective committee," and they ask default of the bonds, so they can tie up their victims' securities and prevent independent action by a friendly committee, a real protective committee for the bondholders. I pause now to express a hope—and I hope my expression will be carried to the innocent investors—that they will not deposit a single bond or other security with this so-called protective committee. They are simply changing masters, that is all, in a new form, but it will still be Halsey Stuart & Co. that will have their hands in the pot.

I mentioned just a few moments ago the fact that Halsey Stuart & Co. gave 23 minutes of their 30-minute program a couple of evenings ago to Samuel Insull. I think that is a mistake; I think it should be Martin Insull. Maybe they gave it to Samuel Insull as well. At any rate, they gave 23 minutes or a large portion of their 30-minute radio program over to the Insull interests, so that Halsey Stuart & Co. might prove that there is no such thing as a Power Trust. They are closely linked with the Power Trust, of course, through the sale of securities issued by public utilities.

Back of the Wardman activities and connected with the companies defaulting on the bonds is a gentleman by the name of Emory Coblentz, close associate and business confederate of G. Bryan Pitts, of the F. H. Smith Co. G. Bryan Pitts is the man who is now under sentence of 14 years upon a conviction had in the District of Columbia. Coblentz, however, has not been prosecuted. I understand he has powerful political allies. Then he is chairman of the board of the Potomac Edison Co., and there is no doubt in my mind but what Halsey Stuart & Co. negotiated the bond issues on the Wardman properties largely because of Coblentz's interest therein.

Mr. President, let me analyze briefly what is disclosed by the testimony taken before the subcommittee. I will summarize the evidence, which is perhaps more valuable for the benefit of the Senate. Speaking generally of the situation, the committee found that within the past six or seven years there have been issued in or sold from the District of Columbia so-called securities largely consisting of mortgage bonds or notes in an amount approximating $100,000,000. A very considerable portion of that amount is of dubious character. It is true that there are bonds and securities issued upon property within the District of Columbia that are sound investments. I do not want the inference to be drawn from what I have said that there are not honest financial organizations in the District of Columbia. There are many of them.

In the sale of such securities, many of which have been distributed to women as safe investments for insurance and savings funds and to a large class of people who have no detailed knowledge of investment principles, there has been gross misrepresentation of values and concealment of essential facts as to values amounting to fraud, and, in my opinion, of a criminal character. Not only is that my opinion but the court records disclose the fact that many of the transactions can not be characterized otherwise than as criminal transactions. In many instances investors were induced to exchange the hard-earned savings of a lifetime for securities which were not worth the paper on which they were engraved or printed.

In seeking a remedy for this situation the committee was confronted with the problem of choosing between two methods or between two bills of different character. One type of bill provides in substance for the licensing of issuers and sellers of securities and the posting of a bond of considerable amount, with specific authorization to the United States attorney or other prosecuting officer to investigate alleged cases of fraud with a view of securing injunctions to stop the issuance and sale of worthless securities. That type of bill would merely extend the injunctive process with respect to the sale of securities, but the enforcement of substantive law I am sure can not be made satisfactorily through the injunctive process.

The injunctive process as proposed in one type of bill could not be initiated until after there was evidence of fraud. In other words, there must have been acts of fraud committed before the United States attorney would be authorized to make an investigation and secure an injunction, the only purpose of which injunction would be to prevent future frauds. Clearly, that type of law can have no justification under our system of administration of laws. The injunctive process is inefficient. It does not permit of quick and decisive action. It is an equity procedure and wholly unfit for the enforcement of a securities law that would afford proper protection to the innocent purchasers of securities.

Moreover, as to that same type of law—and it has been adopted in some States, though not very many—there is another very great objection. I think in all cases where that form of legislation prevails the investigation made by the prosecuting attorney is an investigation made behind closed doors. In fact, a penal provision is inserted in that character of legislation which would punish anyone for disclosing any information that might be obtained at such a secret hearing. Even the witness who had valuable information and disclosed his information to that secret hearing would not be entitled thereafter to disclose it to anyone else. In other words, that type of legislation proposes to close and bar the door and lock it against the public and against the development of the truth, the facts, the evidence, and information to which the public ought to be entitled in the defense of its owns rights and the rights of the citizen.

Under that type of law every fictitious bond issue and every criminal act that has been charged here in the District, and for which there has been successful prosecution, would have been possible to have been committed because the injunctive process therein provided for could not be effective until after the perpetration of the fraud and the defrauding of the innocent purchaser.

The other type of law—that is, the type which the subcommittee proposed—provides for the licensing of securities dealers and salesmen and also the scanning and investigation of securities to be offered before they are actually sold to the public by a competent, official body, with legal authority to make rules and regulations requiring the submission before sale of detailed information as to values, earnings, assets, liabilities, in fact all the elements so necessary in determining the security value of a property proposed to be hypothecated upon which bonds are to be issued.

To determine the relative merits and efficacy of two types of law the subcommittee made detailed investigation of various securities, promotions, and issues in the District. Ample evidence has been obtained to support the statement that the first type of law, providing merely for licensing and injunctive procedure, would not have prevented some of the larger frauds that have been perpetrated in and from the District. Many of the promotions in the District which have resulted disastrously to investors not only locally but throughout the United States, have been sponsored by men and organizations of previous high social and business standing who would not have experienced any difficulty in obtaining licenses for their operations in the investment field. After evidence of fraud has been publicly offered it is disclosed that there have been years of delay and, in some cases, no action at all looking to the prosecution of offenders highly placed.

I am not condemning the prosecuting officers. There are many devices which promoters may employ to carry on their deceptive and fraudulent practices, and they construct those devices within the law. So, in many instances, the prosecuting officer finds, though he knows there have been fraud and cheating, that devices have been employed which enable the perpetrators to escape all responsibility, either because of their design being within the law or because of an absence of law.

There were representatives of the investment bankers' organization who were opposed to this second type of law, the type of law which the committee recommended. Those representatives preferred the injunctive procedure. So we made certain investigations in order that we might be able to apply the test of experience to those two proposed forms of legislation. We examined into two large security flotations by members of the bankers' investment organization who are in good standing in that organization. This information was obtained and is available regarding other issues of securities by members of organizations opposed to the second proposal, the proposal which the committee has submitted.

Now, let me review the situation briefly. In doing so I will use our report in order to save time. One of the two issues was that involving the sale of bonds, debentures, and so forth, of the so-called Wardman Hotel and Apartment Properties in Washington. Four members of the Investment Bankers' Association, namely, Halsey Stuart & Co., Hambleton & Co., A. B. Leach & Co., Rogers Caldwell & Co., sponsored the offering. Rogers Caldwell & Co. is the same organization as the Caldwell whose financial operations came to light respecting the failure of the bank in Louisville, Ky. They are socially reputable and regarded in the business world as of the very highest character, and yet such men, engaging in the investment business, find the greatest opportunity for the exploitation of the public.

We enact laws to punish the man who jimmies a safe. Of course, that man has no social standing; he is an outlaw, and everybody is anxious to have him incarcerated in jail—especially if he jimmies a bank safe—for a term as long as 40 years. We punish men for highway robbery, and if they should be armed with dangerous weapons—and in some cases a good-sized jackknife will be considered a dangerous weapon—they find themselves confronting jail sentences of upward of a quarter of a century. We punish men for forgery, and they must submit to imprisonment. Yet in the field of investment, which is so fruitful of widespreading fraud and deception, where the money comes easy and reaches the pockets of gentlemen of social standing, we let the perpetrators of fraud go scot-free and permit them to enjoy all the extravagances of an indulgent mind, even to the extent of putting on a party in the city of Washington at the Mayflower Hotel in order that some fair maiden may have a coming out, and that sort of character finds himself welcomed in the best society, and some men and women are tickled to death if they are invited to the dinner party. Yet that man, though he may have robbed thousands upon thousands of men and women of their life savings, goes scot-free, and the Senator from Maine declines to permit a bill to be passed that will put the investment scoundrel in the same class as the scoundrel who jimmies a safe.

Mr. President, I am not surprised at receiving letters such as I have been receiving during the last two or three weeks. I am going to quote from one of those letters, which, judging from the language and the penmanship, was written by a man of considerable experience and evidently of good standing. He lives in the city of Baltimore and is a canvasser, a salesman. He says:

> My entire family connections are Republican, but we have reason to find fault with the present administration, as it appears to have gone completely over to the special interests, and the plain people can be damned. I have always been a conservative—

He states—

> but conditions have gotten so that I believe, like millions of others, that conditions must be changed very soon to prevent a dangerous uprising of the people. As a salesman one comes in direct contact with the real conditions.
>
> If some of the stand-pat, mossback administration crowd could hear the remarks of hundreds as I have heard them, they would realize there is a storm overhead, likely to break at any time. What is wanted is some concrete remedy to rectify these conditions, to get back to a real democracy, as the country was founded—some legislation to prevent a few from having all the wealth, with the vast majority starving.

That is not directly upon the question I am discussing; but the question I am discussing is merely an accumulation of the wrongs that the people suffer. This letter, coming from a conservative, briefly outlines the condition of men and women everywhere.

Mr. President, when you destroy what has become known as the middle class in this country, the men and women who have savings of a few thousand dollars, a home, perhaps a job, an occupation—when you permit criminal rascality, through deceit and misrepresentation, to take the last dollar of their life savings, you can make up your mind that those men and women who have red blood in their veins recognize the potency of the Declaration of Independence—that is, the right to change the Government—and those changes, as history has demonstrated in the past, have not always been by peaceful means. In all ages the tyrant—political, industrial, or financial—has been the one to suffer the guillotine; and I now warn the Halsey Stuarts, the Dohertys—I warn them all—that their power to rob must cease—

> Let the thieves give up their plunder
> Ere the storm has gathered head,
> And louder peals the thunder,
> And the lightning flash more dread;
> For if once that storm does break,
> No human hand can stay
> Till the wrongs the people suffer
> Have in blood been washed away.

Mr. President, occasions such as have been called to our attention may not always present or permit pacific means. Therefore, believing, as I do, in the inherent democracy of our people and the power of that democracy, let us act in all these respects through the machinery that has been set up under our Constitution, that these wrongs may be prevented ere it is too late.

Let me just outline some more of the facts that this subcommittee have found.

I was naming the four members of the Investment Bankers' Association of America. In addition to those I named is the William R. Compton Co. They sponsored and participated in the public offering throughout the country of what they designated on their circular to be "Eleven million dollars first and refunding mortgage 6½ per cent serial gold bonds"—they put all the glitter on these things, using high-sounding phrases—"refunding mortgage 6½ per cent serial gold bonds of the Wardman Real Estate Properties (Inc.)." Even the printed description of this issue was deceptive; for, in reality, the authorized issue of bonds was $16,000,000; and the security back of the bonds was not a first mortgage on all of the property of the issuing corporation, but a second and probably a third mortgage as to some of the properties involved.

In the printed hearings of this committee will be found the advertisement to which I refer. I shall not go into the details of that advertisement. The same properties were made the basis of a $2,500,000 so-called "general mortgage," which in reality was a third or fourth mortgage as to some of the hotels and apartments listed as security for the issues. In addition, the very questionable and doubtful equities in the properties encumbered by the various mortgages mentioned were made the basis for two issues of so-called "gold debentures."

"Gold debentures." Now, to the unwary that very readily appears to be something that is gold. A "debenture"—"gold": Why, of course, all it means is that it may be payable in gold; but as far as the value of these properties was concerned, they might just as well have provided that they should be payable in platinum or diamonds. They would have made it more attractive had they said "diamond debenture"; yet not a single penny of additional security would that description afford.

These gold debentures were in the amount of $4,900,000. Then, in addition to issuing all these various securities, they also issued common stock to the amount of 200,000 shares.

Now, let us examine into the valuation of these properties. The circular issued by these five investment firms, four of them belonging to the Investment Bankers' Association, together with the William R. Compton Co., place a valuation by so-called independent engineers upon the properties constituting the security of more than $31,000,000. Of course all they advertised was that independent engineers stated that the property was valued at $31,000,000, while as a matter of fact this was nearly $2,000,000 in excess of the engineers' actual valuation. But, even at that, the engineers' valuation of $29,000,000 was far in excess of the true value of the properties, the actual value, the value that could be obtained in the market. In a good market, even in a high market, no such amounts whatever could ever have been obtained from the sale of these properties.

Now, I want to call attention to the fact that the engineering firm that made these appraisals was identically the same firm that made the appraisal for the F. H. Smith Co. The appraisals in the case of the F. H. Smith Co. were excessive, of course. Inflated values were given to those properties; and so the F. H. Smith Co. went crumbling down, and with it thousands of innocent investors lost their savings.

Some men of wealth lost their savings; yes, men who had a considerable competency for their old age, who could enjoy more than the ordinary things of life, who could enjoy some of the luxuries of life, even some of the extravagances of life, were reduced to a position little above that of poverty.

We took the evidence of the District assessor. There will be those who contend that an assessed valuation is not a reliable valuation. That all depends on the facts. We examined Mr. Richards, the local assessor, at great length, and I think that when he got through he had clearly demonstrated that with respect to these particular properties, applying every possible method of valuation to them in making his assessment, he assessed them at their full value. I have no doubt about that.

All these properties, against which had been issued a $16,000,000 liability, plus a two and a half million dollar liability, plus a $4,900,000 liability, totaling almost a $24,000,000 liability, had a full value, including lands, buildings, equipment, and furniture, of not over $17,147,000. If anyone who might question the judgment of the District assessor will study the pages of detail into which the assessor went and the various methods of valuation, he will conclude that the assessor put the value at its very top notch, $17,000,000, in round figures. That was $14,000,000 less than the valuation stated in the investment firm circular. There is no law in the District of Columbia to regulate that sort of thing.

Let me develop the facts a little farther. The result of this issue to investors that is, the issue on the Wardman properties—is that they have met disaster. The Wardman bonds, which were sold by the sponsors of the issue in 1928 for $100, par value, are admitted by Halsey Stuart & Co. to have practically no market value at all at this time. They were offered in the public market—that is, before this advertisement appearing in the New York Times of yesterday—at as low as $38, involving a loss of $62 for every share to those who reside in the District or who reside beyond the District.

We had an audit made, and the audit revealed that in the nine months from January 1 to September 30, 1930, the deficit from operations was almost a million dollars, the accrued deficit of the combined companies as of last September was in round figures $3,339,000, and by eliminating a balance sheet asset of no real value, but styled "unamortized bond discount, and refinancing expense," there is shown a deficit of over $4,300,000. Four million dollars of those bonds issued as late as 1928 are due and payable, as the so-called protective committee advertisement shows.

I note again that Halsey Stuart & Co. broadcast, over the radio, investment advice by an employee, designated, as the senior Senator from Michigan stated, "Old Counselor." The same firm advertises widely in women's magazines, and they do it designedly. Many women, especially widows, who during their married life paid little or no attention to the financial transactions of the home, outside of the household and the family budget, are not familiar with investments. They become victims upon whom these bond and securities companies feed. One of the advertisements of Halsey Stuart & Co. states that 20 per cent of the customers of Halsey Stuart & Co. are women, "some administering their husbands' estates, others making their own way in the world—still others, careful housewives, managing the family finances."

Halsey Stuart & Co. can not complain at the disclosure of these facts. Halsey Stuart & Co. were apprised that the subcommittee would hold a hearing on a certain day at a certain time at which they would be afforded every opportunity to appear and present their side of the matter. They failed to appear, and upon the record in this case that one investment company alone stands convicted as one of the greatest vultures in the investment field.

Mr. President, I now turn to another organization, Lockwood, Green & Co., an engineering organization, which advertises eight different types of appraisal on property. They were quoted in the bond circular as having valued the Mayflower Hotel at $11,000,000. I shall go into that very shortly and analyze that valuation. Before doing so I want to complete my analysis of the testimony as it refers to the bond issue sold by Halsey Stuart & Co.

I refer now to another organization, not the Wardman properties organization, but a second organization, one of the two great organizations the committee interrogated. Halsey Stuart & Co. sponsored and sold in 1928 the bonds of the Mayflower Hotel Co. The first-mortgage bonds were in the amount of $7,500,000, and the second-mortgage bonds amounting to $2,400,000. A total of $9,900,000 of bonds were issued and sold widely throughout the country.

In addition to those bond issues, the hotel company issued $1,100,000 of 7 per cent cumulative preferred stock, and authorized an issue of 80,000 shares of common stock, without par value.

Those issues were based upon extravagant valuations, shown in the circular distributed by the investment bankers.

The property was appraised by Mr. Harry Wardman, of Washington, D. C.—who, by the way, had financial interests in adjacent properties at that time—at $12,600,000. It was the same Mr. Wardman who refinanced his various old organizations through Halsey Stuart & Co., which company are participants in the Mayflower securities issue.

As I stated, the Lockwood engineering organization placed a valuation on that property at $11,000,000. The advertisements on the sale of those bonds were deceptive. They stated that the original investment in the hotel, furniture, and furnishings was in excess of a million and a half dollars. Yet, when the Mayflower Hotel Co. made its return for taxation purposes, it made a return of only half a million dollars, one-third of what was stated to have been the investment.

Proof was submitted, and the proof was credible, that the amount paid for the furnishings, and so forth, was a trifle over $1,500,000. Mr. Richards, the local district tax assessor, in great detail showed very clearly that he had assessed this property at its full value. Including land, building, equipment, and furnishings, based in part on sworn statements, the total assessment for the property complete was $5,232,120. That was less than one-half of the lowest valuation given in the Investment Bankers circular. Against this valuation of a little more than $5,000,000 there were issued $9,900,000 in securities, almost twice the amount of securities issued as was the actual value of the property.

These first-mortgage bonds, for which the investor paid $100 par value, were publicly quoted at the time of the hearings before the committee at $65. Those are the first-mortgage bonds. The second-mortgage bonds, of a par value of $100, were quoted at $25. On the first-mortgage bonds there was a loss of $35 for every $100 of investment. On the second-mortgage bonds, for which the investor paid $100 par value, there was a shrinkage to $25, a loss of $75 out of each $100 invested.

I think those facts ought to appeal to a heart of stone, and that the Senator from Maine [Mr. HALE] should yield and permit this bill to be considered and passed.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Wisconsin yield to the Senator from Florida?

Mr. BLAINE. I yield.

Mr. FLETCHER. I want to inquire who are the holders of these first and second mortgage bonds? Are they held by just a few people or groups of people?

Mr. BLAINE. They are widely scattered—sold in the District and throughout the country. Many of them are owned, probably, in every State in the United States.

Mr. FLETCHER. And those are the people who will lose their money?

Mr. BLAINE. Yes.

Mr. HEFLIN. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Alabama?

Mr. BLAINE. The Chair is enforcing the rule. I have no objection to yielding, but I lose the floor unless I yield only for a question.

Mr. HEFLIN. It is merely a question that I desire to ask.

Mr. BLAINE. I yield for a question.

Mr. HEFLIN. Would the Senator be willing to agree, if the Senator from Maine would yield for a certain length of time, to give him half an hour to consider his bill? I understand the Senator from Maine is afraid if we get into a consideration of the bill of the Senator from Wisconsin it will sidetrack the Navy Department appropriation bill. Would the Senator from Wisconsin be willing to take up his bill and consider it for half an hour and, if it is not then disposed of, to permit the consideration of the Navy Department appropriation bill to be resumed?

Mr. BLAINE. I think we have time to-day to pass both the bills to which I have referred and also to dispose of the Navy Department appropriation bill. As I said, I am not engaged in any undertaking for delay. I am endeavoring to present all the facts as briefly as possible, and yet I think the question of such importance that the facts ought to be fully presented.

Halsey Stuart & Co. had access to the Wardman books to which I have referred, which would give Halsey Stuart & Co. all the information that the Wardman properties were not paying. That was before Halsey, Stuart & Co. undertook to sell the bonds. At that time the Wardman properties were operating at a loss. I want to be as brief as possible, but I want to show the necessity for the type of legislation to which I have referred. Halsey Stuart & Co. knew that the Mayflower Hotel was not a profitable undertaking and had not been a profitable undertaking prior to the time when the new issue of bonds was sold by Halsey Stuart & Co. The books of the Mayflower Hotel Co. disclosed that in 1927 there was a loss of a little over $300,000 and in 1928 a loss of $460,000. Nineteen hundred and twenty-eight was the year when Halsey Stuart & Co. were handling the bonds of the Mayflower Hotel Co., and they knew the properties could not and did not pay.

Mr. President, there is just one other matter which I want to discuss, and it is very material. I have undertaken to select out this information as carefully as possible in order to save as much time as possible. I will refer now to the recent failures of the Swartzell, Rheem & Hensey Co. This company dealt in mortgage notes. Its failure took place after we had had our hearings, and the information I am giving the Senate is taken from the public record of the court proceedings and some of it from newspaper reports, and I am not in doubt about the facts.

Swartzell, Rheem & Hensey have dealt in the sale of securities and notes, selling them to approximately 5,000 people in Washington and elsewhere. Its sales of notes have amounted to approximately $18,000,000. Up to a few days before filing a petition in bankruptcy on January 22, 1931, the firm advertised extensively in the newspapers to this effect:

No loss to a single investor in more than 61 years.

Even while insolvent they advertised to that effect. I have an advertisement taken from the Washington Star of January 10, 1931. That ad is headed "Harvest month." The grain was ripe and the picking was good. It was a time when the banks had settled with their customers for their savings accounts and men and women had a little money to spare. That time was the harvest month for this firm and a month when the firm knew that it was insolvent, hopelessly insolvent. They advertised:

No loss to a single investor in more than 61 years. Come in and let one of our officers advise you of the attractive offerings we now have available.

I ask that the complete advertisement may be inserted in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The advertisement is as follows:

[From the Washington Star, January 10, 1931]

HARVEST MONTH

January is the harvest month for the investor. Do not permit your incoming interest and dividends to idle—immediate reinvestment insures against loss.

Your funds, harvested during January, can be reinvested safely and productively in the 6 per cent first mortgage notes sold through Swartzell, Rheem & Hensey Co. Placed in these securities, which are based on thoroughly investigated and improved Washington properties, they will earn you a steady, assured income.

These notes embody the two essentials of sound investment—high margin of safety and attractive yield. Their safety is attested by their record of no loss to a single investor in more than 61 years.

Come in and let one of our officers advise you of the attractive offerings we now have available.

SWARTZELL, RHEEM & HENSEY CO.,
Mortgage Bankers,
727 Fifteenth Street NW., Washington, D. C.

Mr. BLAINE. "Come in," said the spider to the fly, and the spider got the flies, too. Thousands of men and women are going to lose their savings. This was the same type of advertising as that of the F. H. Smith Co., and equally untrue, for the company had not been composed of the same stockholders and engaged in the same type of business for

the length of time advertised. These companies had changed in their personnel that were conducting the companies. The facts which have been disclosed cast no aspersions or reflections upon the older financiers who had organized these companies. But modern financing methods, modern inflation, modern devices, tempted those who succeeded to the older and substantial financiers to make their millions through misrepresentation and deceit.

After the bankruptcy petition was filed accountants of the Department of Justice discovered shortages in the firm's funds, and the managing head of the firm, Edmund D. Rheem, has been arrested and is out on bail on charges of embezzling several hundred thousand dollars of the firm's assets. About the only law in the District of Columbia under which action can be taken in matters of this kind is the law against embezzling. It is the only law that can in any degree be invoked against these bonding houses; but in all cases there is not embezzlement. It is something else. It often involves a character of finance that is not covered by the laws of the District of Columbia.

Aside from this fact, however—and the point in which the public is principally concerned—is the fact that Rheem and others connected with him, who acted as trustees under the mortgages securing notes held by the firm, received in payment $3,000,000 or more from the makers of the notes, released the deeds of trust securing the notes, but failed to pay the purchasers of the notes secured, converting the money to their own use or diverting it to other building projects which were being financed.

After the committee had tentatively agreed upon the foreclosure bill this situation was called to our attention, and so we have proposed certain amendments to the bill which would make future transactions of this kind utterly impossible.

The amendments propose that no individual shall be permitted to act as trustee under a trust deed except where the amount involved is less than $25,000. We thought we ought to take care of those who were investing their money in homes and whose transactions did not in any way involve the sale of bonds or securities; but all other trust deeds must run to a bank or trust company or building and loan association under the supervision of the Comptroller of the Currency. We offer those amendments to the mortgage foreclosure bill.

I want to suggest now that in the District of Columbia there is no such thing as a mortgage foreclosure. There is no way by which the purchaser of property or of a home can be protected. He enters into a trust deed. Of course, it is his own act and his own contract and he is bound by it, but he may lose his property by the advertisement of that property for sale in the default of a single dollar of interest, and that sale might be had upon 24 hours' notice. He has no period of redemption whatever. The bill with reference to mortgage foreclosures protects the purchaser and yet does not make the matter cumbersome for those who advance the money.

I may also say that the mortgage foreclosure bill does not by any means go as far as does the law in my State, or, for that matter, the laws in a great majority of States of the Union. It is a bill that has been recommended, as I recall, by the American Bar Association for communities that are not agricultural or industrial, but rather communities such as is the District of Columbia. Under the proposed mortgage foreclosure bill there will be an opportunity not only to redeem before sale but as well an opportunity to redeem after sale.

Another amendment we propose also makes provision for preventing the very sort of thing that I described a few moments ago. Under that amendment a trustee will not be able to release a trust deed until he presents to the recorder of deeds in the District of Columbia the canceled notes or the canceled bonds, and the recorder shall note on the margin of the instrument securing those notes or bonds the fact that they have been paid and canceled.

Notes, amounting to $3,000,000 or more—I am now speaking of Swartzell, Rheem & Hensey Co.—are still outstanding in the hands of the public, although the deeds of trust securing them have been released. I know of many people who have invested in such notes. Some friends of mine who came to Washington, having at one time lived in my own State, had, as I recall, something like $10,000 of such notes, and yet the trust deed securing them has been released and they are left with no security whatever. That is true of hundreds of men and women; the deeds of trust securing their notes have been released. In the meantime new mortgages and deeds of trust have been put on the buildings; they have been refinanced. Members of the firm or employees of the firm release the trust deeds of record, and then the firm turns about and issues a new trust deed, perhaps to a member of the firm or to an employee of the firm or to a friend of the firm, and obtains additional money on the property, although the security holders under the former trust deed had not in fact been paid.

For instance, the Swartzell, Rheem & Hensey Co. sold $600,000 of notes on which were printed in bold type, in red ink, "First Trust Notes," the purchaser being led to believe that the notes were secured by a first mortgage on the Hay-Adams House, one of the fine apartments on Sixteenth Street. In much less conspicuous type there appeared in the notes words showing that the notes represented, in reality, a first trust lien on the leasehold of the Hay-Adams House, not on the fee title, not on the actual physical property. The only security therefore for the $600,000 notes is a 99-year lease upon the hotel property, and that lease carries with it an obligation of $36,000 per year as a rental. A note issue that is subject to an obligation of $36,000 per year as rental is not very well secured.

As a matter of fact, the hotel has been operated at a loss and the property has been sold for an arrears of taxes amounting approximately to $60,000. The owners of the hotel land and buildings have the right to foreclose now because of this failure to pay taxes and the owners of the notes on the leasehold will then be wiped out; every dollar will be gone; not one penny of the $600,000 notes will they receive. The company liable on the notes owned nothing except a leasehold interest, not even the furniture and equipment of the hotel which was mortgaged two or three times to the Wardman Hotel Properties (Inc.), and to those who originally sold the furniture and equipment.

Rheem is the son-in-law of Harry Wardman. I mention this not for the purpose of casting any reflection upon individuals but simply to show that these investment companies have now connected with them men who have been connected with these properties, all of which have been financial failures, and therefore we can not rely upon the honesty and integrity that those men at one time were presumed to have had.

When Wardman became involved several years ago Rheem took over the properties. Wardman was erecting the Shoreham Building, the La Salle Apartments, and the Shoreham Hotel and others, and financed them. When he found himself unable fully to finance one with funds available he started another, and used the money from the sale of notes on the new project to finish the first project, and so on and on and on, until finally the crash came. It is not at all unlikely that there will be other similar failures here, for the whole mortgage, loan, and note business in this District has been allowed to run wild, without regulation, without supervision, and without the existence of any law under which the perpetrators of such fraudulent transactions might be brought before the bar of justice.

Mr. President, we have not gone into all the financial institutions in the District. I am not referring, of course, to banks; I am referring to bond and mortgage houses. I have no reference whatever to banks or trust companies or building and loan associations, and have not discussed them and do not intend to discuss them. We are not dealing with the financial affairs of those organizations. Mr. President, it seems to me that we ought not to have any trouble in passing this proposed legislation.

I want to say, in conclusion, that the so-called blue sky bill is a bill adapted to the peculiar conditions in the District of Columbia; it is a uniform bill, approved, as I have indicated, by the national commission.

The mortgage foreclosure bill does not go very far; it does not provide for any court foreclosure or judgment but it does give periods of redemption; it gives opportunity for the owner to redeem before sale and after sale, and does throw about owners some protection, without doing any injustice and without retarding the building of homes within the District of Columbia. The bill follows along the lines of the uniform bill worked out, as I recall, by the American Bar Association as being particularly adaptable to communities of this kind.

Mr. President, I think I have reviewed sufficiently the facts as they have been disclosed which justify the passage of these two bills.

I desire to have incorporated in the RECORD at this point three editorials. One is from the Washington Evening Star, published in the city of Washington. The editorial of the Star characterizes these bills as being emergency measures. I quote from that editorial as follows:

In the circumstances the Senate and House would be warranted in considering this an emergency condition justifying and even requiring the expedition of these legislative proposals to the point of enactment at this session.

The editorial in the Washington Post declares:

Both for the protection of the public as well as for the protection of legitimate real-estate businesses these recommendations should be acted upon favorably.

And the Washington Times in like terms comments in its editorial favorably upon these bills. The newspapers of this District have been of great service to the committee. I think pitiless publicity has done a considerable amount of good. It has driven some of the schemers out of the District; it has stopped many of the fraudulent practices which have prevailed on the part of some, and I want to take this opportunity of commending the splendid public service that has been rendered by the newspapers of the District of Columbia, as will be evidenced by the editorials to which I have referred and which I ask may be printed in the RECORD in full.

The VICE PRESIDENT. Without objection, it is so ordered.

The editorials are as follows:

[From the Washington (D. C.) Evening Star of February 19, 1931]

AN EMERGENCY

It is most unfortunate that the present session of Congress is so far advanced that there is little time in which to act upon the report of the Senate committee, filed yesterday by its chairman, Senator BLAINE, which for a number of months has been investigating the conditions respecting the conduct of real estate transactions in the District of Columbia. Recent happenings in the District have perhaps been the cause of the hastening of this report. The conclusions which are presented, however, might easily have been reached earlier, save for the labor of detailed and painstaking inquiry, without the demonstrations of urgent necessity which these happenings have afforded.

The committee urges the enactment of a law to license and regulate real estate brokers and salesmen, the creation of a "blue sky" commission to regulate the issuance of real estate securities prior to sale, and revision of the mortgage foreclosure system, setting up greater protection for the mortgagor or borrower. The most pointedly specific recommendation is for the enactment of legislation that will prohibit the release of mortgages until proof is adduced that the funds loaned have been actually repaid to the holders of mortgage notes.

A difference of judgment respecting the precise form of regulation to be adopted in the shape of new legislation affecting real estate and other financial projects in the District has delayed enactment for so long that the Capital has been left unprotected and heavy losses have resulted to residents of this community through fraud and mismanagement. Had Congress acted more promptly in the enactment of a regulatory law, much of this loss would probably have been prevented. Now that disaster has occurred, there is preparatory action, but so late in the session that the chances of enactment before noon on the 4th of March are slender.

Revelations respecting the methods employed in the handling of large real-estate deals and developments in some instances in Washington, resulting from failures and prosecutions for fraud, have proved conclusively that the cure for the evil lies in legislation that will set up a protective system of official supervision over financing plans, over the marketing of securities, and over the methods of real estate and security offering financial organizations—just as official supervision is exercised over banks and building associations—and correct the evident fault of the present system of mortgage recording and releasing.

Prosecutions for fraudulent practices, after the fact, will not effect the restoration of losses to security purchasers who have been mulcted in dishonest transactions. What is needed, regardless of whatever the courts may do to punish fraud and breach of trust, is a system of protection under which the District can not be made the field of deals and bargains and traffic in worthless or weak or speculative securities.

In the circumstances the Senate and House would be warranted in considering this an emergency condition justifying and even requiring the expedition of these legislative proposals to the point of enactment at this session. The District has been hard hit by the dishonest and incompetent conduct of one of its major industries—the buying and selling of real estate and the marketing of the securities issued in the promotion of development projects. Delay until the next Congress may mean further losses to investors. Will there not be a realization in Congress of the urgency of this need?

[From the Washington (D. C.) Post]

REAL-ESTATE LEGISLATION

The report of the subcommittee which for two years has been investigating real-estate practices in the District of Columbia has been placed before the Senate. The recommendations as well as the findings of the committee are of great local interest.

The committee recommmends the enactment of three measures. The first would license and regulate real-estate brokers and salesmen, the second would create a blue-sky commission to regulate the issuance of real-estate securities prior to sale, and the third would revise the mortgage-foreclosure system so as to afford greater protection for the mortgagor and borrower. The first of these measures has been passed by the Senate but has not yet been acted upon by the House.

The committee finds that a large and probably excessive number of real-estate salesmen and brokers are operating in the District without legal regulation or supervision. The licensing of brokers and salesmen, it says, "would give public protection that is urgently needed by substantially reducing fraud and imposition, and would serve to protect legitimate businesses and honest realtors." With respect to foreclosures, the committee finds that the mortgagor is given no grace period in which to redeem his property following the foreclosure, nor is he advised in advance that the property is to be taken from him. The committee recommends that a bill be passed providing for 25 days' published notice before foreclosure sale, for a 15-day redemption period, and for the limitation of fees, etc. Both for the protection of the public as well as for the protection of legitimate real-estate businesses these recommendations should be acted upon favorably.

[From the Washington (D. C.) Times]

ATTACK ON ALL FRONTS!

The recommendations of the Blaine subcommittee with regard to fraud in realty transactions in the District of Columbia deserve the careful consideration of Congress, in the interest of investors, realty dealers whose business is injured by the unethical practices of unscrupulous persons, and the public generally.

It is apparently generally believed that the collapse recently of a large mortgage brokerage firm bulked largely in the deliberations of the subcommittee as it framed its report. It is declared in that report, without the slightest attempt to mince words, that fraudulent and deceptive practices have been altogether too prevalent in the local realty business, and enactment of specific laws is urged to prevent similar operations in the future.

Specific laws are unquestionably desirable, since a specific prohibition is always easier to check against than fraud or dishonesty in general. But it is a principle of the law that there is no wrong without a remedy, and the statutes with regard to embezzlement and larceny after trust are designed to cover the ground not covered by specific statutes against theft. It should be possible, if and when fraud and dishonesty are uncovered, to find and apply the proper remedies, assuming public officials are not lax in enforcing the law.

The subcommittee asserts that in some instances, after fraud had been publicly revealed, there had been long delay in prosecuting offenders, and that in other instances no action whatsoever had been taken.

That, obviously, is hardly a situation to be remedied by the enactment of new laws. If the agencies intrusted with the enforcement of the laws now on the statute books do not do their work properly, are they likely to be more energetic in enforcing new laws?

Obviously, wherever fraud or dishonesty are uncovered, in realty transactions or any other, the persons responsible should be held civilly and criminally liable to the fullest possible degree. The recent ruling of Judge Cardozo in New York that directors of a financial institution should be held responsible for the conduct of the institution's affairs is a principle that should be generally adopted, and which is probably sound law in any jurisdiction.

The Blaine subcommittee urges supervision over realty brokerage houses, and prescribes specifically for the procedure in releasing mortgages and trusts. Its recommendations are based on justice and should be enacted into law.

But meanwhile legal technicalities should not be permitted to obstruct the course of justice. There is probably ample law on the statute books to bring to book any offenders who have been guilty of fraudulent practices, and there are in the District public officials who are conscientious and able, ready and willing to enforce the law.

G. Bryan Pitts, through whose operations large numbers of investors were defrauded, faces a long and deserved prison term.

Possibly others who may have been guilty of equally reprehensible practices may fare no better.

Mr. BLAINE. Now, Mr. President, I want to appeal to the Senator from Maine to permit these bills to be considered. If there is going to be strenuous objection and long debate, then, of course, I will not insist unduly on their consideration. I am not disposed at this time to engage in any filibuster.

Mr. HALE. Mr. President, if the Senator can assure me that there will be no long debate and that the bills may be disposed of in 10 or 15 minutes, I am perfectly willing to have him go ahead; but I must insist that action be had on the naval appropriation bill.

Mr. BLAINE. Mr. President, I can assure the Senator that, so far as I am concerned, I shall not debate either bill further than I have. Of course, I shall be glad to answer questions which Senators may propound.

Mr. HALE. Mr. President, what I have said is with the understanding that if the bills apparently can not be finished within 10 or 15 minutes I shall have to insist on the regular order.

Mr. BLAINE. That is satisfactory.

Mr. McNARY. Mr. President, I understand that the able Senator from Maine is willing temporarily to lay aside the naval appropriation bill in order that a reasonable opportunity may be afforded to pass the bills relating to the District of Columbia sponsored by the Senator from Wisconsin. There are a number of vacant seats in the Chamber at this time, and several Senators have told me that they desired to be present when the bills are considered. I therefore suggest the absence of a quorum.

The VICE PRESIDENT. The Chair suggests, unless the Senator from Oregon desires to proceed with the call for a quorum immediately, that the Senator from Wisconsin withdraw his motion to proceed with the consideration of the bill and ask unanimous consent for consideration.

Mr. McNARY. I assumed that that would be done.

Mr. BLAINE. That was my purpose, Mr. President, and I withdraw the motion.

During the delivery of Mr. BLAINE's speech—

PRICES OF STOCKS AND SEATS OF THE NEW YORK STOCK EXCHANGE

Mr. COPELAND. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from New York for a question?

Mr. BLAINE. I yield to my friend from New York.

Mr. COPELAND. I wanted to ask that the Senator yield that I might put something into the RECORD.

The VICE PRESIDENT. The Senator has no right to yield except for a question, except by unanimous consent of the Senate.

Mr. COPELAND. I ask unanimous consent that I may have read at the desk a short article from the New York Times.

Mr. WATSON. What is it about?

Mr. COPELAND. It is about stocks increasing in price, and seats on the stock exchange increasing in price in the last day.

Mr. HALE. Mr. President, the Senator simply wants to put it in the RECORD?

Mr. COPELAND. No; I want it read.

Mr. HALE. I hope the Senator will not take the time to do that at present.

The VICE PRESIDENT. Is there objection?

Mr. HALE. I shall not object, but I leave it to the Senator.

The VICE PRESIDENT. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

STOCKS RISE, LIFTING 200 TO NEW HIGH FOR YEAR—PRICE OF SEATS ADVANCES $27,000 IN A WEEK

Speculative enthusiasm broke out anew on the stock exchange yesterday, with excited trading in some of the "blue-chip" issues supplying the impulse for a general advance.

The upturn, which lifted market values from 2 to 5 points in many parts of the list, and 8 and 9 points in the case of two or three high-priced stocks, was accompanied by a sharp expansion in trading. Yesterday's turnover of 3,834,955 shares compared with 2,484,550 shares on the previous day.

The price of stock exchange seats also took another leap yesterday, arrangements having been made for the sale of a membership, through transfer of "rights," for $322,000, and for the sale of another membership for $300,000. The latter figure represented an increase of $5,000 over the price involved in a transaction last Monday, but at the $322,000 figure the increase has been $27,000 in less than a week. This price compares with a low of $186,000 in 1930, showing an increase of $136,000. At the latest price, the 1,375 seats on the stock exchange have an aggregate market value of $442,750,000.

More than 200 stocks established new highs for 1931 in yesterday's buoyant market. The advance was led by Allied Chemical, which showed a net gain of 9½ points, while Auburn Auto was runner-up, with a gain of 8¼ points. American Telephone and Telegraph was up 3¼ points for the day, A. M. Byers 3½, International Business Machines 3, du Pont 3⅜, Nash Motors 2⅞, International Telephone and Telegraph 2⅝, Radio 2, and Air Reduction 2¼. United States Steel, after touching a new high for the year at 149, closed at 147⅞ with a fractional loss. The average price of 50 stocks advanced $2.36.

Trading in some of the speculative favorites was uncommonly heavy, and there were reports of bids being placed for huge blocks of stocks at prices just under the market.

Wall Street again ascribed the demonstration of strength on the stock exchange to forecasts of a spring revival in trade and industry.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Wisconsin yield to the Senator from New York?

Mr. BLAINE. I yield for a question.

Mr. COPELAND. The article which has just been read does not seem to indicate that the country has gone to the bowwows by reason of the passage of the bonus bill. Is that the impression of the Senator?

Mr. BLAINE. It may be that the country thinks the President will veto the bonus bill, and that Congress will sustain the veto; I do not know.

NOMINATION OF EUGENE MEYER

Mr. CAREY. Mr. President, will the Senator from Wisconsin yield to me?

Mr. BLAINE. I yield.

Mr. CAREY. I submit a unanimous-consent request.

The PRESIDING OFFICER. The clerk will read the unanimous-consent request for the information of the Senate.

The Chief Clerk read as follows:

Ordered, by unanimous consent, that immediately following final action on the conference report on Senate Joint Resolution 49, relating to Muscle Shoals, the Senate proceed to the consideration, in executive session, of the nomination of Eugene Meyer to be a member of the Federal Reserve Board, and that pending its consideration no other business shall be transacted except by unanimous consent.

The PRESIDING OFFICER. Is there objection?

Mr. LA FOLLETTE. Mr. President, will my colleague yield?

Mr. BLAINE. I yield.

Mr. LA FOLLETTE. I would feel constrained to suggest the absence of a quorum before this unanimous-consent agreement should be entered into. I do not know whether that would take my colleague from the floor or not.

The PRESIDING OFFICER. Under the previous ruling of the Chair it would.

Mr. CAREY. I will withhold the request until later.

After the conclusion of Mr. BLAINE's speech—

CALL OF THE ROLL

Mr. McNARY. Mr. President, I renew my suggestion of the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Capper	Frazier	Hatfield
Barkley	Caraway	George	Hawes
Bingham	Carey	Gillett	Hayden
Black	Connally	Glenn	Hebert
Blaine	Copeland	Goff	Heflin
Borah	Couzens	Goldsborough	Howell
Bratton	Cutting	Gould	Johnson
Brock	Dale	Hale	Jones
Brookhart	Davis	Harris	Kendrick
Broussard	Fess	Harrison	Keyes
Bulkley	Fletcher	Hastings	King

La Follette	Oddie	Sheppard	Trammell
McGill	Partridge	Shipstead	Tydings
McKellar	Patterson	Shortridge	Vandenberg
McNary	Phipps	Smith	Wagner
Morrison	Pittman	Smoot	Walcott
Morrow	Ransdell	Steiwer	Walsh, Mass.
Moses	Reed	Stephens	Waterman
Norbeck	Robinson, Ark.	Swanson	Watson
Norris	Robinson, Ind.	Thomas, Idaho	Wheeler
Nye	Schall	Thomas, Okla.	Williamson

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

THE MONEY QUESTION

Mr. HEFLIN. Mr. President, I ask unanimous consent to have printed in the RECORD open letters from General Coxey to the President, and some other correspondence regarding the money question.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

OPEN LETTERS TO PRESIDENT HOOVER FROM JACOB S. COXEY, SR.

MASSILLON, OHIO, *March 4, 1930.*

Hon. HERBERT HOOVER,
President of the United States, Washington, D. C.

DEAR MR. PRESIDENT: One year ago to-day you took a solemn oath to support the Constitution of the United States. The fifth clause of section 8 of Article I of such Constitution provides:

"The Congress shall have power to coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measures."

Definition and serious consideration of such provision, in view of the widespread unemployment situation caused by the withdrawal of money from the arteries of trade into the channels of speculation and destruction of bank credit, resulting in slackening of production and distribution, is what the writer wants to impress upon your mind.

DEFINITION: THE CONGRESS, WHICH IS THE PEOPLE

The Congress, comprising 1 Congressman from each of the 435 congressional districts and 2 United Senators from each of the 48 States, all elected by the people.

SHALL HAVE POWER

Means the 13 States when they ratified such constitutional provision commanded the Congress and authorized through such delegation of a sovereign right from all such States to the Congress.

TO COIN MONEY

Means to print money for the use of the Nation, States, counties, townships, cities, towns, villages, school districts, and for the people at cost of printing and of service.

REGULATE THE VALUE THEREOF

Means the Congress gives by an act authority and debt-paying power to money, a legal instrument to pay and cancel debts.

AND OF FOREIGN COIN

Means the Congress have power to give authority and debt-paying power to foreign coin (money) coming into the United States, the same as what it authorizes to be coined or printed.

AND FIX THE STANDARD OF WEIGHTS AND MEASURES

Means the Congress, by an act, fixes the weight of the ounce, number of ounces to the pound, and number of pounds to the ton; size of the quart, peck, and bushel measure; length of the inch, number of inches to the foot, and yard measure.

Money is a representative and not a measure of value.

It is just as essential to have enough money to represent value as it is to have enough weights and measures to weigh and measure values.

On March 5, 1929, the writer addressed an open letter to your excellency, a printed copy find inclosed, which please give further consideration.

Yours truly,

JACOB S. COXEY, Sr.

ANSWER

TREASURY DEPARTMENT,
Washington, March 7, 1930.

DEAR SIR: For the Secretary of the Treasury, receipt is acknowledged of your letter of March 4, 1930, with inclosure, addressed to President Hoover, which has been referred to this department for consideration.

Very truly yours,

H. ALLEN HOPE,
Assistant Secretary of the Treasury.

Mr. JACOB S. COXEY, Sr.,
Massillon, Ohio.

OPEN LETTER TO THE PRESIDENT

HOTEL WILLARD,
Washington, D. C., or Massillon, Ohio, March 5, 1929.

Hon. HERBERT HOOVER,
White House, Washington, D. C.

DEAR MR. PRESIDENT: I here submit the following for your serious consideration:

A bill

To provide for the nationalization of legal-tender money without interest, secured by community noninterest-bearing, 25-year bonds for public improvements, market roads, employment of unemployed, and for community needs of the United States.

How it will work

All of the States, counties, townships, cities, towns, villages, and school districts may issue $2,000,000,000 of 25-year noninterest-bearing bonds for public improvements and needs of such communities during the first year, after a vote of the people has been taken, such communities authorizing the issuance of such noninterest-bearing 25-year bond issue.

Issue of money by the people

Such $2,000,000,000 of non-interest-bearing 25-year bonds having been deposited with the Treasury Department at Washington, D. C., as security, there will be an equal amount of legal-tender money printed by the Government, 1 per cent, or $20,000,000, will be retained to pay for printing and caring for the Treasury Department handling that department during the 25-year period.

How it gets into circulation

All the communities depositing such bonds and receiving from the Treasury Department $1,980,000,000 of legal-tender money pay such money into circulation to the now unemployed and others for service rendered and material furnished.

Help but not harm the banks

When the people receive such moneys for services rendered and material furnished they will pay their debts to the merchants, landlords, taxes, and then it is deposited in the banks to the extent of $1,980,000,000 the first year.

Money instead of credit

Thus it will substitute gradually a legal tender money system to take the place of a bank-credit system, represented by checks, circulating and transferring a credit in a bank, instead of checks circulating and transferring real money when deposited in a bank.

Abolish interest on public bonds

Under this system the banks will be divorced from the further dealing in States and subdivision tax-exempt interest-bearing bonds. Such banks will then confine their loans for commercial, producing, and agricultural purposes at a more reasonable interest rate and allow the banks to stop the further payment of interest on deposits.

Eliminate panics

No sudden contraction of the currency can occur, as only 4 per cent of the total amount issued, $80,000,000 annually, would be retired through taxation, cancellation, and redemption.

Steady employment

The further issues of $2,000,000,000 annually would overcome the contraction of 4 per cent, or $80,000,000, redemption the second year, and an increase of 4 per cent on the amount issued thereafter, would be redeemed, retired, and canceled through taxation each year.

The amount of money in circulation is less than $5,000,000,000, and $40,000,000,000 of loans, bank credit, represented by checks circulating which are a substitute for money and when deposited transferring credit in a bank, which allow the people (with the present system) to produce, transport, exchange, and consume one hundred and twenty-five to one hundred and fifty billion dollars of products annually.

A careful study of the foregoing will convince anyone that it is constitutional, sound, practical, and will provide money for the development of the resources of the States and subdivisions, solve unemployment, diminish (if not abolish) poverty by providing work for the unemployed that will work, and not feeding those that will not work, and make continuous prosperity to all, as well as a tax saving of 20 per cent of your taxes annually.

Yours respectfully,

JACOB S. COXEY, Sr.

ANSWER

TREASURY DEPARTMENT,
Washington, March 8, 1929.

Mr. JACOB S. COXEY, Sr.,
Massillon, Ohio.

SIR: Receipt is acknowledged by reference from the White House of your open letter to the President dated March 5, 1929, in which you submit for consideration a bill to provide for the nationalization of legal-tender money without interest secured by community noninterest-bearing 25-year bonds for public improvements, etc.

Respectfully,

HENRY HERRICK BOND,
Assistant Secretary of the Treasury.

OPEN LETTER TO THE PRESIDENT

MASSILLON, OHIO, *March 12, 1930.*

Hon. HERBERT HOOVER,
President of the United States, Washington, D. C.

DEAR MR. PRESIDENT: If you will recommend to the Congress the following measures, when such are enacted into law it will bring about immediate and continuous prosperity:

First. A bill to provide for the nationalization of legal-tender money without interest secured by community noninterest-bearing 25-year bonds for public improvements, market roads, employment of unemployed, and for community needs of the United States.

Second. A bill to authorize the Secretary of the Treasury to have engraved and printed a sufficient amount of legal-tender Treasury

notes to care for any deficiency that is or may occur in the Treasury Department and to pay interest on the public debt as it becomes due, as well as the debt as it matures, and prohibit such Secretary from the further issuance of interest-bearing bonds for any purpose or purposes whatsoever.

Third. A bill to authorize the Secretary of the Treasury to have engraved and printed a sufficient amount of legal-tender Treasury notes to redeem all outstanding national-bank currency and cancel all interest-bearing bonds now held by such Treasury as security for such national-bank currency and return to such national banks such Treasury notes now held by such Treasury as a redemption fund for such bank currency.

Fourth. A bill to authorize the Secretary of the Treasury to have engraved and printed a sufficient amount of legal tender Treasury notes, to loan to all utilities under the jurisdiction of the Interstate Commerce Commission, upon the approval of such commission authorizing such utilities to issue and deposit non-interest bearing 20-year bonds for all equipment and needs of such utilities.

Respectfully submitted,

JACOB S. COXEY, Sr.

Following also submitted:

TREASURY DEPARTMENT,
Washington, March 6, 1930.

Mr. JACOB S. COXEY, Sr.,
121 Second Street, Massillon, Ohio.

SIR: Under date of February 3, 1930, you requested of the Comptroller of the Currency a statement of the amount of interest that has been paid to national banks since 1863, on bonds deposited by them as security for their circulating notes.

You are advised that records are not maintained by this department to furnish such information. However, as nearly as can be computed from 1873 to 1929, inclusive, the Treasury paid to national banks the sum of $723,985,342.90.

Respectfully,

G. O. BARNES, *Assistant Treasurer.*

(No record prior to 1873.)

FROM 1873 TO 1929, INCLUSIVE

The United States Treasury paid to national banks the sum of $723,985,342.90, in interest on bonds securing national bank currency.

Such bonds of the United States, issued and held by such Treasury, as security for such national bank currency, have the taxing power of the Congress (elected by the people) to tax the property of the people to pay such sum of interest.

Such national-bank currency is (not money) receivable for debt, and when demanded, must be exchanged for legal tender Treasury notes, in order to pay and cancel a debt.

Five per cent of national bank currency outstanding (about the sum of $700,000,000) amounting to about $35,000,000, of legal tender Treasury notes, are held by such Treasury as a redemption fund for such national bank currency.

If an interest-bearing bond (under the national bank act) must be issued and sold by such Treasury to a national bank and then deposited by such bank with such Treasury issuing and selling it, as security for national-bank currency, issued by such Treasury to such bank, why not issue legal-tender Treasury notes (instead of national-bank currency) to take up the $700,000,000 of bonds bearing 2 per cent interest and redeem such national-bank currency with such Treasury notes?

Would not such redemption of $700,000,000 of 2 per cent interest bearing bonds save $14,000,000 per year?

Would not such redemption of $700,000,000 national-bank currency (which is only receivable for debt) be replaced by an equal amount of legal-tender (which would pay all debts) money?

Would the release of $35,000,000 of legal-tender Treasury notes, held by such Treasury now as a redemption fund for such national-bank currency, harm such national banks if returned to such banks by such Treasury?

Would not such national banks that have $100,000 of bonds deposited receive $100,000 of legal-tender Treasury notes for such bonds?

Would not such banks that have $5,000 (Treasury notes) deposited as a redemption fund have such $5,000 returned to such banks by such Treasury?

Would not such banks have a $5,000 (when returned) foundation upon which could be built, by such banks, $45,000 of credit loans?

Would not such credit loans be represented by checks of borrowers taking the place of money, yet answering every purpose of money?

Why does not Congress (elected by the people) give authority to the Secretary of the Treasury and command such Secretary to issue legal-tender Treasury notes instead of 3¼ per cent Treasury certificates in the sum of $450,000,000 to relieve the stringency of the Treasury at this time?

Clause 5, section 8 of Article I of the Constitution provides:

"The Congress shall have power to coin money, regulate the value thereof, and of foreign coin."

Would not such $450,000,000, of legal tenders, if issued and paid out by such Treasury, help to relieve the money stringency and give the people money to do business with?

Would the banks then have the excuse to raise interest rates, as they are doing now?

How are the people going to pay for their homes, merchants to pay their notes, and manufacturers to obtain money to do business with if we do not commence to get money at cost to the people, instead of to the banks exclusively?

Why not such Congress give authority to such Secretary at all times, when an emergency arises, to issue legal-tender Treasury notes, instead of interest-bearing bonds, or certificates of indebtedness bearing interest (which latter power such Secretary now possesses), or sold at a discount to meet a Treasury deficit or to pay interest on the public debt and the debt as it matures?

As the national debt matures issue legal-tender Treasury notes to pay it, and stop the further refunding of such debt into an interest-bearing debt.

As the interest becomes due, amounting to about $700,000,000 for 1930 on the public debt of $16,500,000,000, issue legal-tender Treasury notes to pay it.

If such Treasury expects to reduce such public debt $1,000,000,000 annually, and the interest on such debt is $700,000,000, and legal-tender Treasury notes are issued and paid into circulation for both (principal and interest) in the sum of $1,700,000,000, would not the income-tax cut be of an equal amount?

How would such tax cut of $1,700,000,000 compare with the much-heralded tax cut of $160,000,000?

Would not such increase of legal-tender money gradually take the place of bank credit to the extent of many billions of dollars that has been destroyed on account of the savings of the people in money being withdrawn from the country banks (causing destruction of such bank credit), invested in stock speculation in Wall Street on margin, and now such Wall Street banks have both the savings (money) of the people as well as stocks held as collateral, leaving such country banks without money or bank credit to loan?

Would such country banks then have the excuse to raise interest rates as they are doing now?

Building and loan companies calling in the people owing them, compelling such people to sign up for an increase of one-half of 1 per cent (interest) on loans that still have years to run, commercial banks raising interest rates from one-half of 1 to 2 per cent.

How are the people going to pay for their homes, merchants to pay their notes to the banks, when the people are unemployed and unable to buy and pay for goods and manufacturers obtain money to do business with if we do not commence to get money to the people at cost instead of to the banks exclusively?

ANSWER

TREASURY DEPARTMENT,
Washington, March 18, 1930.

DEAR SIR: For the Secretary of the Treasury, receipt is acknowledged of your letter of March 12, 1930, with inclosures, addressed to President Hoover, which have been referred to this department for consideration.

Your recommendation for legislation to provide for the nationalization of legal-tender money without interest, etc., have been noted.

Very truly yours,

H. ALLEN HOPE,
Assistant Secretary of the Treasury.

To. Mr. JACOB S. COXEY, Sr.,
Massillon, Ohio.

The Government charged the Federal reserve banks about $1.10 per $1,000 (printing and franchise tax) for over ten billions of Federal reserve notes (money) during the past five years, then borrowed it back and pays 3¼ per cent (interest) for the use of its own money. Why should not the Government print it at the same price to the States, counties, townships, cities, towns, villages, and school districts? To-day, March 25, being the thirty-sixth anniversary of the first march of the unemployed to Washington under Cleveland's (Democrat) administration and 16 years since the second march, under Wilson's (Democratic) administration, now comes Hoover's (Republican) administration outdoing both Democratic administrations in unemployment and depression in business, should be enough to convince the dumb bells that there is no difference between Democratic and Republican administrations.

JACOB S. COXEY, Sr.,
Massillon, Ohio.

[From the Akron Beacon-Journal, March 22, 1930]

The Federal Reserve Board will boost the money in circulation by a round $3,500,000,000. This is getting pretty near General Coxey's prescription of money at cost.

NAVY DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 16969) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1932, and for other purposes.

Mr. BINGHAM. Mr. President, in connection with the pending appropriation bill I think the Senate will be greatly interested in two dispatches which have been released to-day by the Navy Department, one from the Assistant Secretary of the Navy for Aeronautics upon his return to Panama from viewing the annual maneuvers of the Navy in those waters and the other from Admiral Pratt, Chief of Naval Operations. They are very brief, and I ask that they may be read for the information of the Senate.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will read, as requested.

The legislative clerk read as follows:

(Immediate release)

NAVY PRESS ROOM, *February 20, 1931.*

The Assistant Secretary of the Navy for Aeronautics, David S. Ingalls, upon return to Panama from viewing annual maneuvers on board the U. S. S. *Los Angeles*, sent the following message to-day to the Navy Department:

"I am exceedingly gratified at the marked success attendant upon the use of the *Los Angeles* in connection with the fleet maneuvers, although the ship was employed only in a scouting capacity and, therefore, no defense of her at all was attempted.

"One experience has conclusively established that such type ships are of material value in naval operations at sea in defense of our coast. The repeated contacts with theoretically friendly ships and the final discovery of the main body of the theoretically hostile fleet attacking the Panama Canal definitely establish the advisability or rather the necessity of the continued development and maintenance of lighter-than-air craft by the United States Navy."

(Immediate release)

NAVY PRESS ROOM, *February 20, 1931.*

Admiral William V. Pratt, United States Navy, Chief of Naval Operations, who is viewing the "war" problem being brought to completion between the "blue" and "black" fleets off the lower coast of Central America, has radioed the following comment to the Navy Department:

"Thus far the fleet problem being staged has revealed two outstanding points: First, the necessity for cruisers, and especially those of the flying-deck type; and second, the justification under favorable conditions of the lighter-than-air craft as shown by the use of the *Los Angeles*."

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate No. 69 as amended to the bill (H. R. 16415) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1932, and for other purposes.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 9702) authorizing the payment of an indemnity to the British Government on account of losses sustained by H. W. Bennett, a British subject, in connection with the rescue of survivors of the U. S. S. *Cherokee*.

INDEPENDENT OFFICES APPROPRIATIONS—CONFERENCE REPORT

Mr. JONES. The last action taken on the independent offices appropriation bill left but one amendment in disagreement. I submit the report of the committee of conference upon that amendment.

The VICE PRESIDENT. The report will be read.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate, No. 69, as amended, to the bill (H. R. 16415) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1932, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 69: That the House recede from its amendment to the amendment of the Senate numbered 69, and agree to the same with the following amendment: In lieu of the matter stricken out and inserted by such Senate amendment and the matter inserted by such amendment of the House to such Senate amendment insert the following:

"No part of the funds of the United States Shipping Board Merchant Fleet Corporation shall be available during the fiscal year 1932 for the purchase of any kind of fuel oil of foreign production for issue, delivery, or sale to ships at points either in the United States or its possessions, where oil of the production of the United States or its possessions is available, if the cost of such oil compared with foreign oil costs be not unreasonable.

"That in the expenditure of appropriations in this act the United States Shipping Board Merchant Fleet Corporation shall, except as provided in the preceding paragraph, unless in its discretion the interest of the Government will not permit, purchase for use, or contract for the use of, within the limits of the United States only articles of the growth, production, or manufacture of the United States, notwithstanding that such articles of the growth, production, or manufacture of the United States may cost more if such excess of cost be not unreasonable."

And the Senate agree to the same.

HENRY W. KEYES,
REED SMOOT,
W. L. JONES,
E. S. BROUSSARD,
Managers on the part of the Senate.
EDWARD H. WASON,
JOHN W. SUMMERS,
C. A. WOODRUM,
Managers on the part of the House.

The report was agreed to.

REGULATION OF SECURITY SALES AND MORTGAGES IN THE DISTRICT

The VICE PRESIDENT. The Senator from Wisconsin [Mr. BLAINE] has withdrawn his motion to proceed to the consideration of the two bills referred to by him; and the Senator from Maine [Mr. HALE] asks unanimous consent to lay aside temporarily the unfinished business for the purpose of proceeding to the consideration of the two measures. Is there objection? The Chair hears none, and the Chair lays before the Senate the first bill, which will be stated.

The CHIEF CLERK. Order of Business No. 1716——

Mr. HOWELL. Mr. President——

The VICE PRESIDENT. The Senator from Nebraska.

Mr. HOWELL. What is before the Senate?

The VICE PRESIDENT. By unanimous consent, the two measures of the Senator from Wisconsin [Mr. BLAINE].

Mr. HOWELL. Mr. President. I object.

The VICE PRESIDENT. The Chair very plainly put the question, and waited about a minute for some Senator to object. Of course, if the Senator says he did not hear the Chair——

Mr. HOWELL. I will admit that I did not hear the Chair, Mr. President——

The VICE PRESIDENT. Under the conditions, objection is made.

Mr. HEFLIN. Mr. President, will the Senator from Nebraska yield to me for a moment before that is done?

The VICE PRESIDENT. The Senator from Nebraska has already objected.

Mr. HEFLIN. I was going to state to the Senator what the situation is here, and perhaps he will withdraw his objection.

Mr. HOWELL. I yield to the Senator from Alabama.

Mr. SMOOT. I call for the regular order. Let us go on with the bill.

Mr. BLAINE obtained the floor.

Mr. HEFLIN. I was going to suggest to the Senator that I believe he would save time and get through quicker if he would permit the consideration of these measures now.

Mr. HOWELL and Mr. NORRIS addressed the Chair.

The VICE PRESIDENT. Does the Senator from Wisconsin yield; and if so, to whom?

Mr. BLAINE. I yield to the junior Senator from Nebraska.

Mr. HOWELL. Mr. President, when the prohibition bill was pending before the Senate, on every occasion when unanimous consent was requested for the taking up of appropriation bills I was willing to grant it; but the Senator from Wisconsin objected, and ultimately displaced my bill upon each occasion. I have now asked the Senator if he would not be willing that my bill should come to a vote in the Senate, and stated to him that under such circumstances I would not object to unanimous consent to consider the measures to which he referred; but the Senator from Wisconsin feels that he can not do so, and objection is my last resource. I do not want to object to important

and necessary legislation; I do not want to take the time of the Senate unnecessarily; but I feel, under the circumstances, that there is nothing else for me to do.

However, Mr. President, upon second thought, I withdraw my objection. I am not thus apparently going to oppose important and necessary legislation on this floor because some Senator refuses to permit the consideration of another important bill and allow it to come to a vote.

The VICE PRESIDENT. The objection being withdrawn, the Chair lays before the Senate Senate bill 3489.

The Senate proceeded to consider the bill (S. 3489) to regulate the foreclosure of mortgages and deeds of trust in the District of Columbia, and for other purposes, which had been reported from the Committee on the District of Columbia, with amendments.

The VICE PRESIDENT. The clerk will read the bill.

The Chief Clerk proceeded to read the bill.

The first amendment of the Committee on the District of Columbia was, in section 1, page 1, line 7, after the word "property," to insert "situated in the District of Columbia," so as to make the section read:

DEFINITIONS

SECTION 1. (1) In this act, unless the context or subject matter otherwise requires:

"Mortgage" means a mortgage of real property situated in the District of Columbia and includes an agreement or conveyance whereby the mortgagor gives to the mortgagee real property as security for payment of a debt or fulfillment of other obligation. "Mortgage" includes an equitable mortgage, an absolute deed given as security, and a trust mortgage, as well as a conveyance on condition as security.

"Trust mortgage" means a mortgage in which the mortgagor gives the real property to a third person, the trustee, to hold as security for a debt or other obligation.

"Execute" means to sign, acknowledge, and deliver with all the requirements for a deed of real property to entitle it to be recorded.

"File" means to file in the office of the recorder of deeds of the District of Columbia.

"File for record" or "record" means to file for record in the office of the recorder of deeds for the District of Columbia.

"Lienor" includes any person having a lien or encumbrance, legal or equitable, upon the premises or a part thereof, by reason of a mortgage, judgment, or other cause, and also includes a purchaser at a foreclosure, execution, or other sale from which the period of redemption has not expired.

"Mortgagee" includes any person succeeding to any of the rights of the mortgagee, and may mean the trustee of a trust mortgage or holder of the obligation secured or both.

"Mortgagor" includes any person succeeding to any of the rights of the mortgagor in the premises or part thereof, but does not include a lienor.

"Obligation" secured by a mortgage includes the performance or nonperformance of any act so secured, although there be no personal obligation involved.

"Person" includes a corporation, a partnership, and two or more persons having a joint or common interest.

"Proceeding" when used to refer to proceedings to foreclose a mortgage, includes foreclosure by power of sale.

"Purchaser" when used to mean the buyer at the foreclosure sale, includes any person succeeding to any of the rights of the purchaser.

"Real property" or "premises" includes any estate or interest in land, legal or equitable, including leasehold estates.

"Record owner of the mortgage" means the person holding title of record to the mortgage, although the debt secured be held by others, and in the case of a trust mortgage means the trustee or his successor of record; and it includes an executor, administrator, guardian, or other personal representative of the record owner, when proof of his appointment has been recorded.

"Recording office" means the office of the recorder of deeds of the District of Columbia; and "recording officer" means the recorder of deeds of the District of Columbia or his deputy.

"Marshal" means the United States marshal for the District of Columbia.

"Taxes" include other governmental levies and local assessments, and also include the lien of taxes represented by tax sales and certificates thereof.

"Trustee" includes any successor to the trustee.

(2) "Assignments" and "assignee," as used in sections 2 and 4, do not apply to the instruments secured by the mortgage; and in the case of a trust mortgage "assignment" means any instrument creating a successor to the trustee, and "assignee" means a successor to the trustee.

"Mortgagee" in section 4, in the case of a trust mortgage, means the trustee.

The amendment was agreed to.

The next amendment was in section 5, page 6, line 14, after the word "time," to strike out "in the absence of objection by the mortgagor and," so as to read:

POWER OF SALE FORECLOSURE

SEC. 2. Requisites for foreclosure: (1) Every mortgage containing a power of sale, and whether or not containing a conveyance, may be foreclosed by the record owner thereof in the manner hereinafter specified.

(a) If there has been a default in some condition of the mortgage, by which the power to sell has become operative;

(b) If no action or proceeding has been instituted at law to recover any part of the debt then remaining secured by the mortgage, or if an action or proceeding has been instituted, but has been discontinued, or an execution upon the judgment therein has been returned unsatisfied in whole or in part; and

(c) If the mortgage has been recorded, and, when it has been assigned, if all assignments thereof have been recorded.

(2) No mortgage shall be foreclosed by exercise of power of sale in any manner other than as provided herein; but a power of sale in a mortgage may be exercised as herein provided, regardless of the person to whom the power runs and of the terms of the power.

SEC. 3. Power of attorney to foreclose, recorded: The foreclosure may be conducted by an agent of the record owner of a mortgage. His authority shall be by a power of attorney duly filed for record before or at the time of recording the certificate of sale and executed by the record owner or by his agent, whose authority is also evidenced by a recorded power of attorney.

SEC. 4. Contents of notice of sale: Notice of the foreclosure sale shall be given specifying:

(1) The names of the original mortgagor and mortgagee, and of each assignee of the mortgage, if any, and of the record owner of the mortgage;

(2) The date of the mortgage, and date and place of record;

(3) The amount claimed to be due thereon at the date of sale;

(4) A description of the mortgaged premises, including street address, if there be one; and

(5) The date, time, place, and terms of sale, complying with section 7.

SEC. 5. Publication of notice, postponement of sale: (1) The notice of sale shall be published three times, once in each of three successive weeks, in a newspaper of general circulation, published in the District of Columbia, the first publication to be not less than 25 days prior to the date of sale.

(2) The marshal may postpone the sale from time to time, with the consent of the person foreclosing, and shall set forth the postponements in the certificate of sale.

The amendment was agreed to.

The next amendment was, in section 6, page 7, line 1, after the word "sale," to strike out "or at such subsequent time before the sale as the name or address of any such person is learned," so as to make the section read:

SEC. 6. Mailing notice to interested parties: The notice of sale shall be given by mail as herein provided to each person known by the person foreclosing to be the original mortgagor or being of record as a subsequent grantee of the mortgaged premises or as having an estate or interest in or lien upon the premises subject or subsequent to the mortgage. Such notice shall be mailed, by registered and unregistered mail, directed to each such person at his last known address or address of record, not less than 21 days before the date of sale. Failure to mail the notice shall not invalidate the foreclosure, but any person entitled to the notice may recover all damages suffered by him from such failure. No action shall be commenced to recover such damages after two years from the date of the sale.

The amendment was agreed to.

The next amendment was, in section 7, page 7, line 16, after the word "mortgagee," to strike out "the record owner of the mortgage," so as to make the section read:

SEC. 7. Sale, how made, separate tracts: (1) The sale shall be made by the United States marshal for the District of Columbia at public auction to the highest bidder, at the time, place, and on the terms specified in the notice, or at the postponed time. The place shall be at the marshal's office in the District of Columbia or at and on the mortgaged premises; and the time shall be between 9 o'clock antemeridian and 5 o'clock postmeridian.

(2) The mortgagee or any person having an interest in the mortgage or obligation secured thereby, may, fairly and in good faith, purchase the premises, or any part thereof, at the sale.

(3) If the mortgaged premises consist of separate farms, tracts, or platted lots not used as one, they shall be sold separately, and no more tracts shall be sold than are necessary to satisfy the amount due on such mortgage at the date of sale, with costs of sale; but if the mortgage provides that the mortgaged premises shall or may be sold as an entirety, or in certain specified parcels or tracts, then the provisions of the mortgage shall govern, subject to any rights, legal or equitable, affecting the order of sale. Failure to comply with this subdivision may render the sale voidable by action brought within one month from the date of sale.

The amendment was agreed to.

The next amendment was, in section 9, page 9, line 22, after the word "shows," to insert "substantial," so as to read:

SEC. 8. Reinstatement of mortgage with acceleration clause: Where the principal of a mortgage, or any part thereof, has become

due by reason of an acceleration clause, payment or tender, before sale on foreclosure, of the amount, other than such principal, due and in default under the mortgage, with costs of foreclosure up to the time of such payment or tender, shall relieve from the default whereby the principal became due and shall reinstate the terms of the mortgage, and the foreclosure for such principal shall cease.

SEC. 9. Certificate of sale, effect, as evidence: (1) The marshal making the sale, even after his term of office has expired, or his successor in office, shall execute to the purchaser a certificate containing:

(a) An identification of the mortgage, with the names of the parties and date of the mortgage and place of its record;

(b) A description of the premises sold;

(c) The name of the purchaser, and the price paid for each parcel sold;

(d) The time, place, and terms of the sale;

(e) The time allowed by law for redemption; and

(f) The name of the newspaper publishing the notice and the dates of publication.

(2) Such certificate shall be recorded within 20 days after the date of its excution shown therein, and when so recorded, upon expiration of the time for redemption, operates as a conveyance to the purchaser of all estate and interest in the premises on which the mortgage was a lien at the time of the sale, but subject to liens prior to the mortgage.

(3) The recorder of deeds shall note on the margin of the record of the mortgage foreclosed a reference to such certificate and the place of its record.

(4) The certificate of sale and the record thereof shall be prima facie evidence that all the requirements of law for the sale have been complied with and shall, after the expiration of the time for redemption, be prima facie evidence of title in the purchaser, and if the certificate as recorded shows substantial compliance with the provisions of this act affecting foreclosure sales it shall be conclusive evidence of a valid foreclosure in favor of persons who thereafter become bona fide purchasers and encumbrancers from the purchaser.

The amendment was agreed to.

The next amendment was, in section 12, page 11, line 19, after the word "less," to strike out "$35" and insert "$50"; in line 20, after "$10,000," to strike out "$50" and insert "$75"; in line 21, after the word "debt," to strike out "but in no case to exceed $250"; and on page 12, line 7, after the word "one-half," to strike out "but in no case to be less than $25," so as to read:

SEC. 10. Proceeds of sale and surplus: The proceeds of the sale shall be immediately used by the marshal to satisfy first the costs of the foreclosure, and then the mortgage. Any surplus shall be retained by the marshal for 30 days and then paid over to subsequent lienors in order of priority and the remainder to the owner of the equity of redemption.

SEC. 11. Evidence of foreclosure perpetuated: (1) Evidence of the foreclosure proceedings may be perpetuated by filing for record:

(a) An affidavit of the publication of the notice of sale with a copy of the notice, to be made by the publisher of the newspaper in which the same was published, or by some person in his employ knowing the facts; and

(b) an affidavit of mailing the notice of sale.

Such affidavits or the record thereof shall be prima facie evidence of the facts therein set forth.

SEC. 12. Costs, fees, affidavit: (1) An affidavit containing a detailed account of the costs of the foreclosure and setting forth that the same have been absolutely and unconditionally paid or incurred, shall be made by the person conducting the foreclosure and filed within 10 days after the foreclosure sale, in default of which none shall be allowed. The affidavit shall remain on file for five years.

(2) At any time within one year after the sale, the mortgagor may recover from the record owner of the mortgage three times the amount of any sums charged as costs but not absolutely paid or incurred.

(3) Costs of foreclosure which shall be allowed to the person foreclosing are the amounts actually paid or incurred (a) for publishing the notice of sale; (b) to the marshal for holding the sale and executing the certificate of sale, including the distribution of the funds realized from the sale, his fee therefor of $15, to be accounted for in the same manner as other fees authorized by law; (c) for any other expenses necessary to complete the foreclosure including mailing of notices, search of title records for names and addresses of parties required to be notified; and (d) to the attorney, trustee, or other person conducting the foreclosure as fees therefor not exceeding the following sums: When the debt secured by the mortgage is $5,000 or less, $50; over $5,000 and not exceeding $10,000, $75; and over $10,000, one-half of 1 per cent of the mortgage debt: *Provided*, That if there shall be payment or tender of the amount due and in default under the mortgage (not including the principal where due or in default only because of an acceleration clause on account of default in some other obligation under the mortgage) after foreclosure proceedings have been commenced but before sale actually has taken place, the person making such payment or tender shall also pay the costs incurred as provided in this paragraph except that the fee allowed under clause (d) hereof in such case shall be reduced one-half: *And provided further*, That if there shall be litigation in connection with any foreclosure sale, held or advertised to be held, the court may allow a greater or lesser sum than that provided under clause (d) hereof.

Costs as above specified shall be allowed without any provision therefor in the mortgage; and any provision therein for a larger amount shall be void, but any provision for a smaller amount shall be valid.

The amendment was agreed to.

Mr. KING. Mr. President, I should like to ask the Senator who is the author of the bill one or two questions, if I may.

I desire to ask the Senator whether the bill provides that no foreclosure shall be had other than by order of the court, or whether it preserves the power of sale, and provides that it may be exercised for the purpose of obtaining title to the property.

Mr. BLAINE. Mr. President, the bill includes the provision the Senator has suggested, that continuing the power of sale in the mortgage, but does not give the power of foreclosure through the courts. That is, it preserves the same situation, but hedges it about with some protection.

Mr. KING. Mr. President, I hope that will be done, because I will say very frankly that in view of the many powers of sale which have been exercised improvidently and unjustly I have about reached the conclusion that even if one has an instrument which gives him the right of strict foreclosure by sale, it should not be exercised; that no indebtedness should be enforced except by order of the court, and after a hearing.

Mr. BLAINE. Mr. President, this is not a court procedure, but there may be a court procedure begun by the mortgagor if there is any inequity brought about.

Mr. KING. Mr. President, if this were a question de novo, I think I should seek to have the bill amended so as to require every creditor who has a mortgage to resort to a court, giving the mortgagor the right to appear and defend, because the weak have been too often dispossessed of their property, strict foreclosure has too often been asserted, to the injury of the poor. I confess that I do not like a strict foreclosure proceeding, though to change it would interfere with the right of contract. It is the situation which exists here, and probably I could not at this late time change the law, if I desired to.

Mr. BLAINE. Mr. President, I agree with the Senator; but it was utterly impossible to have that kind of a bill even tentatively approved by anyone in the District.

Mr. KING. Is there any period of redemption?

Mr. BLAINE. There is a period of redemption.

Mr. KING. A 6-month period, or a year?

Mr. BLAINE. No; the time is very short.

Mr. KING. I think the Senator ought to amend that.

Mr. BLAINE. First there is a 3-week publication period, a 21-day period for notice by mail, by registered letter, and after the sale a further period of redemption; then within one year after the sale, if there is any irregularity or any inequality, the mortgagor may bring an action and have that question litigated.

Mr. KING. Mr. President, is not the bill in such shape as that the Senator can make an amendment, which would properly coordinate with the other provisions of the bill, under the terms of which any mortgagor would, after strict foreclosure, after sale at public auction under strict foreclosure, after deed has passed and been recorded, have six months within which he might redeem?

Mr. BLAINE. He has no time under the present law.

Mr. KING. I know that, and I think that most unjust. I know of many cases where men who have met with disaster, men who have given mortgages upon their lands and their property, under strict foreclosure, have had no period of redemption. I plead in behalf of the poor man, of the mortgagor. I think he ought to have at least a 6-month period of redemption, particularly where he has not been sued, where the property has just been advertised and sold at public auction. He ought to have six months in which to redeem.

Mr. BLAINE. Just one word. I might advise the Senator that our hearing disclosed that the trouble does not lie so much in the period of redemption as in other matters. The

redemption provided in this bill goes along the lines of the uniform act which is in effect in some eight or nine States.

Mr. KING. Mr. President, may I say to the Senator that when we meet in December, if no other bill has been offered, and if no other Senator takes the matter up, I shall offer a bill that will give to a debtor who has mortgaged his property a period within which he may redeem it after foreclosure, particularly where the foreclosure is a strict one, under advertisement, and not under decree of the court.

Mr. BLAINE. I am in entire accord with the Senator.

Mr. BRATTON. Mr. President, I am very much in sympathy with what the Senator from Utah has said. Most of the States provide a period within which a mortgagor may redeem by paying the debt and the accumulated interest, plus the costs of sale. I think some period should be given a mortgagor in the District within which he could do that.

I wonder whether the Senator from Wisconsin would accept an amendment on page 14, line 4, to strike out "15 days" and insert in lieu thereof "6 months." That is a shorter period than a great many of the States throughout the country have provided. The Senator, in his ripe experience as a practitioner, knows that oftentimes a debtor, by reason of adversity, or economic depression, or something of the kind, is unable to pay a debt promptly when due, although he may have a substantial equity in the mortgaged premises. Indeed, right now this bill could operate to take away from many property owners property in which they have a substantial equity. I believe we should provide some period, a reasonable period, of course, within which a mortgagor might redeem his property by paying the debt, plus the stipulated interest, plus the costs of the sale. I hope the Senator will accept that amendment, giving the mortgagor six months after the sale within which to redeem.

Mr. BLAINE. Mr. President, there are 19 States which grant a 1-year redemption period, 4 States 6 months, 3 States 9 months, 5 States which grant more than a year, and 17 of the 47 States provide for no redemption period. I am perfectly satisfied with the suggested amendment of the Senator from New Mexico, and if he will offer the amendment I will interpose no objection.

Mr. BRATTON. Mr. President, I offer the amendment, on page 14, line 4, to strike out the words "15 days" and to insert in lieu thereof the words "6 months," so as to read:

Within six months after the date of sale, being the mortgagor's redemption period, the mortgagor may redeem the premises sold—

And so forth.

Mr. SWANSON. Mr. President, there are two things which we desire to accomplish. The first is to enable people who have land to get loans on it. Another is to take care of the man who makes the loan. If we make it nearly impossible for a man to collect his loans, no loans will be made in the District of Columbia, for the simple reason that people will not take the risk, will not make loans.

A man is not disposed to lend money on first mortgages if, when a debt is not paid, he has to wait two or three years to make disposition of the security, and does not know whether he will get anything or not. In the State of Virginia and elsewhere recourse is allowed to the equity courts. If depression comes, the court has authority to enjoin a sale under a deed of trust, a recourse I took frequently as a lawyer when I was practicing law. If we so provide by law that a man lending money on property will not know whether he will ever get it back or not, the only effect will be to prevent a man making a loan. Consequently, there is danger of going too far and causing people to be unwilling to lend money. In Virginia we let courts of equity take care of the matter.

Mr. BRATTON. This amendment provides for only six months, while 19 States in the Union have provided a longer period.

Mr. KING. Mr. President, I have had some little experience in this matter. I do not think it would affect the making of loans one iota. A man would make a loan just as quickly if he knew that the mortgagor would have six months after sale within which to redeem by paying the costs of the sale as if he could go into possession the next day.

Mr. BRATTON. That has been my experience. Moreover, under the almost uniform holdings of the courts, in the absence of some special circumstance, the mortgagee is entitled to possession immediately upon sale, and the mortgagor has the right to regain possession upon redeeming within the period of time fixed. So that this period of six months will not deter those who have money for that purpose from lending it upon property.

Mr. SWANSON. Mr. President, if it would not deter people from lending, I think the provision should be put in.

Mr. NORRIS. Mr. President, I would like to say just a word about the suggestion made by the Senator from Virginia. He has a fear, and perhaps those who live under a system such as the one obtaining here in the District would naturally have a fear, that it would interfere with the making of loans. I want to assure the Senator, from almost a lifetime in a State where a 9-month period of redemption has been allowed, that it does not interfere with loans. If property mortgaged is not sufficient to cover a debt, and delay would work an injustice to the mortgagee, he is entitled to go into a court of equity and have a receiver appointed for the property, to collect the rents and apply them on the debt. His interest will continue. The costs are secured by the property, so that he loses nothing. It is different from making a short-time loan at a bank, something that is liquid, borrowing money for 30 days or 90 days. If there could be a stay of nine months in that kind of a loan, there would be some reason for saying that it would not be just. But the loans referred to here are long-time loans, most of them five years or longer. The mortgagee is trying to lend his money in order to get interest. He is not trying to get property. He is secured all the time during the delay.

It seems to me that the bill ought to be amended so that before a sale takes place the matter should be submitted to a court of equity, and the court should find how much is due and issue an order of sale if it concluded that should be done.

Even though the people in the District would not like that—probably some of the money lenders would not—it is no hardship to them. If they have made a conservative loan to begin with they run no risk. They have security all the time. Unforeseen circumstances may make it a terrible hardship, in a depressed season, for a man to lose his home for a debt, which would not be perhaps one-third the value of the property by a forced sale, under conditions which might be avoided if some time were extended.

The PRESIDING OFFICER (Mr. STEIWER in the chair). The question is on agreeing to the amendment offered by the Senator from New Mexico [Mr. BRATTON].

The amendment was agreed to.

The next amendments of the committee were, on page 25, line 23, to strike out the words "same rate as the rate on the inferior indebtedness" and insert in lieu thereof the words "rate of not less than 3 per centum per annum"; on page 26, line 16, to strike out the words "at the time the inferior mortgage was recorded" and to insert the words "which it supersedes"; on page 27, after line 12, to insert three new sections, as follows:

SEC. 27a. No release by a trustee or mortgagee shall affect or impair the lien of a note or other evidence of indebtedness secured by the instrument released, unless the note, bond, or other evidence of indebtedness secured shall be presented to the recorder of deeds of the District of Columbia and be by him stamped "Canceled and released," and he shall note such fact on the margin of the record of the instrument so released. If any such note or other evidence of indebtedness be lost, destroyed, or otherwise incapable of production, the lien thereof may be canceled upon release by the trustee or mortgagee of the instrument securing such note or other evidence of indebtedness and the filing with the recorder of deeds of an affidavit setting forth the reason such note or other evidence of indebtedness is not presented, together with a bond, approved by the Supreme Court of the District of Columbia or one of the justices thereof acting in official capacity, assuring the payment of such note or other evidence of indebtedness.

SEC. 27b. Any trustee of a deed of trust, or other person acting in like fiduciary capacity, who shall receive money or other thing of value for the payment of the debt or debts secured by the deed of trust, mortgage, or similar instrument and shall fail to make payment or delivery of that which is due the owner of the debt or debts by reason of unauthorized conversion of such money or

other thing to his own use or that of another without legal authorization, shall be deemed guilty of a felony and upon conviction thereof shall be punished by imprisonment for not less than five years and not more than 20 years.

SEC. 27c. It shall be unlawful for any natural person or any firm, corporation, or association, except a bank, trust company, or building and loan association doing business under the supervision of the Comptroller of the Currency, to act as trustee of a trust mortgage when the principal sum secured exceeds $25,000, and any act of such person, firm, corporation, or association shall be null and void. Any person, firm, corporation, or association who or which acts, attempts to act, or pretends to act as such trustee shall be deemed guilty of a felony and upon conviction thereof shall be punished by a fine of not less than $100 and not more than $10,000, or by imprisonment for not less than one year and not more than five years.

On page 29, line 23, after the word "after," to strike out "19" and insert in lieu thereof "July 1, 1931," so as to read:

SEC. 13. Waste during redemption period, receiver: (1) During the period of redemption the mortgagor shall not commit waste, and the purchaser shall have such action or remedy for waste, including injunction, as he would have as owner of the premises. In case of waste committed or danger of waste, a receiver of the premises appointed before sale, shall continue, unless otherwise directed by the court, or, if there be no such continuing receiver, a receiver may be appointed to take possession of and preserve the property provided that the court is satisfied that grave and irreparable damage will be done if such receiver be not appointed.

(2) If the facts would justify the appointment of a receiver under this section, but one is not applied for, and if the premises be abandoned by the mortgagor, the purchaser may take possession, and shall be subject to the same duties and liabilities for the care of the premises and for the application of the rents and profits as would a receiver.

SEC. 14. Taxes, etc., paid by purchaser, repayment: During the period of redemption, the purchaser may pay any taxes on which any penalty or interest would otherwise accrue, the premiums upon any policy of insurance necessary to keep the buildings upon the premises insured for protection of the purchaser, any interest or any part of the principal in default upon any prior incumbrance, and in case of a leasehold any accrued rent and any other sums due under the lease; and the sums so paid, if proved before redemption as required below, with interest at the mortgage rate after due, shall be a part of the amount required to be paid to redeem. Such payments shall be proved by the affidavit of the purchaser, or his agent, stating the items and identifying the certificate of sale and its record, which affidavit shall be filed and a copy thereof forthwith furnished to the marshal at least two days prior to the expiration of the mortgagor's redemption period and before any redemption is made.

SEC. 15. Redemption by mortgagor: (1) Within 15 days after the date of sale, being the mortgagor's redemption period, the mortgagor may redeem the premises sold, by paying to the purchaser or for him to the marshal the sum for which the same were sold, with interest from the date of sale at the rate of the mortgage debt after due, together with any further sums payable pursuant to the preceding section; and a certificate of redemption shall be executed and recorded as hereinafter provided.

(2) The marshal shall forthwith pay to the purchaser or other person from whom redemption is made the redemption money paid to the marshal under this or the following section.

SEC. 16. Redemption by lienor: (1) If no such redemption be made by the mortgagor, the lienor having the lien senior according to the records, legal or equitable, upon the mortgaged premises, or some part thereof, subsequent to the mortgage, may redeem within three days after the expiration of the mortgagor's redemption period, by paying the amount required of the mortgagor by the preceding section; and each subsequent lienor in succession, according to such priority of his lien, may also redeem within three days after the time allowed the prior lienors, by paying the amount paid by the person from whom redemption is made with interest, and the amount of all such liens prior to his own held by such person as are evidenced as required in this section, or, if no lienor prior to himself has redeemed, then by paying the amount required of the mortgagor by the preceding section. No lienor shall be entitled to redeem unless within the mortgagor's redemption period he files for record a notice of his intention to redeem, and the lien appears by instrument duly recorded prior to the foreclosure sale, or the lien existed prior to such sale as a judgment lien.

(2) The lienor redeeming shall pay to the person holding the right acquired under the sale, or for him to the marshal, the amount required to redeem, and shall produce to such person or marshal documents evidencing his right to redeem as follows:

(a) The original mortgage, assignment, or other document evidencing the original lien and also any assignment thereof under which he claims a right to redeem, with the certificates of record inclosed thereon, or a certified copy thereof or of the record thereof or of any files evidencing such lien or assignment, or a certified memorandum of the place of recording or filing the same, or in case of a judgment a certified copy of the docket thereof, or if any such document is not entitled to be recorded or filed, then the original thereof verified by the affidavit of himself or some person acquainted with the signature of the assignor or maker; and

(b) An affidavit of himself or his agent showing the amount then actually owing on his lien.

Forthwith after such redemption the lienor redeeming shall deposit such documents with the marshal, who shall preserve the same in his office for one year thereafter, for which service his fee shall be $1, to be accounted for as other fees authorized by law.

SEC. 17. Certificate of redemption, record: (1) The person from whom such redemption is made, or the marshal to whom the money is paid, shall execute to the person redeeming a certificate of redemption containing:

(a) The name of the person redeeming, and the amount paid by him;

(b) A description of the sale, and of the premises redeemed;

(c) A statement of the claim upon which such redemption is made, and, if upon a lien, the amount claimed to be owing thereon at the date of redemption.

(2) If redemption be made by the mortgagor, his certificate shall be recorded within four days after the expiration of his redemption period, and if made by a lienor, his certificate shall be recorded within two days after his redemption. Unless so recorded, such certificate shall be void as against any person redeeming in good faith from the person or lien so redeemed from.

(3) The recorder of deeds shall note on the margin of the record of the certificate of sale a reference to each such certificate of redemption and the place of its record.

SEC. 18. Effect of redemption: If redemption be made by the mortgagor, it annuls the sale and leaves the premises subject to all liens which would have existed if no sale had been made, except the lien of the foreclosed mortgage, which is discharged by the sale. If redemption is made by a lienor, his certificate of redemption, duly recorded, operates as an assignment to him of the estate and interest acquired by the purchaser at the sale, subject, however, to the rights of persons who may be entitled subsequently to redeem. If a lienor redeeming be the last person to redeem, his lien claim shall be satisfied in the amount by which the fair value of the premises at the time of redemption exceeds the sum which he paid to redeem.

SEC. 19. Action to redeem, extending time: If an action is commenced prior to the expiration of the time for redemption, to redeem from or to set aside the mortgage or the sale, the court shall in such action have control over the redemption from the sale, including the power to extend the time allowed for redemption by the mortgagor or any person entitled to redeem, to such time and on such terms and conditions, as to security, possession of the premises and otherwise, as may be equitable and just, to fix the manner, terms, and order of redemption from the sale, and to permit redemption therefrom by anyone equitably entitled to redeem, although not entitled to redeem under the foregoing provisions of this act. As a condition of extending the period of redemption, a bond approved by the court shall be required sufficient in amount to pay the costs of the action and all damages arising from such extension.

SEC. 20. Recovery of possession: After the expiration of the mortgagor's redemption period the person holding the right acquired under the sale may recover possession of the premises from the mortgagor or anyone holding under him by an action as from a tenant for the nonpayment of rent, or by any other existing remedy.

SEC. 21. Limitation of action to question foreclosure: No such sale shall be held invalid or set aside unless the action or defense in which its validity is called in question be commenced or interposed before the purchaser has gone into possession of the premises under a duly recorded certificate of sale and has occupied the same for one year and paid the current taxes thereon during such period, or has without possession paid the current taxes thereon under such recorded certificate for three successive years, during which time the premises have not been occupied by the mortgagor. This period of limitation shall not be extended by any disability.

SEC. 22. Foreclosure for installment: A foreclosure by power of sale for less than the whole amount owing on a mortgage exhausts the mortgage lien on that part of the premises sold on the foreclosure, but leaves the mortgage and power of sale in force on the remainder of the premises as security for sums not due at the date of the sale.

SEC. 23. Power of sale, authority to include, one coupled with an interest, not revoked: (1) Authority given by a will, power of attorney or otherwise, to mortgage real property implies authority to include a power of sale.

(2) A power of sale given in any mortgage shall be deemed a part of the security, and in the absence of any provision to the contrary in the mortgage shall vest in and may be executed as provided in this act by any person who becomes the record owner of the mortgage by assignment or otherwise.

(3) The death, insanity, or other disability of a mortgagor, or any transfer or sale of the premises by him, occurring subsequent to the execution of the mortgage, shall not revoke or suspend a power of sale therein; but in case of such death, insanity, or other disability, the Supreme Court of the District of Columbia, in the exercise of its equity jurisdiction, shall have power to stay the sale of the property mortgaged a reasonable period of time.

SEC. 24. Forms in foreclosure: (1) The following forms of power of attorney to foreclose, notice of foreclosure sale, certificate of foreclosure sale, and certificate of redemption may be used for power of sale foreclosure and redemption therefrom and may be altered as circumstances require; but the use of other forms is not forbidden or invalidated.

(2) The blank spaces in the forms indicate where appropriate matter is to be supplied to complete the form. The words in parentheses are not part of the forms, but indicate what matter

is to be supplied to complete them, or changes or additions that may be made in or to them.

POWER OF ATTORNEY TO FORECLOSE

(3) (Name and address), mortgagee in (or trustee in, or assignee of), and the record owner of, the mortgage executed by _____ mortgagor, dated the _____ day of _____, 19__, and recorded in the office of the recorder of deeds of the District of Columbia, at _____, does hereby authorize (name and address of agent) to foreclose said mortgage by power of sale.

In witness whereof this power of attorney is duly executed this ____ day of _____, 19__ (or use other testimonium clause. (Add signature and other formalities of execution.)

(4) A power of attorney in substantially the foregoing form operates as though it also contained express provisions authorizing the agent to take all proceedings to the end of foreclosing the mortgage by power of sale required by law, and to act in and about the foreclosure as fully to all intents and purposes as the principal might or could do if personally present, and ratifying and confirming all that the agent shall lawfully do or cause to be done, by virtue of the power of attorney.

NOTICE OF FORECLOSURE SALE

(5) Default having been made in the conditions of a mortgage executed by _____, mortgagor, to _____, mortgagee (or trustee), dated the __ day of _____, 19__, and recorded in the office of the recorder of deeds of the District of Columbia (give date and place of record), which mortgage was duly assigned to _____, by assignment dated _____ and recorded in said office (give date and place of record) (likewise show any further assignments, and the appointment of a personal representative when foreclosure is by him), and _____ being now the record owner of said mortgage.

Notice is hereby given, that by virtue of the power of sale therein, said mortgage will be foreclosed by a public sale of the following mortgaged premises, to wit: (Describe the premises and also give street address if there be one.)

Such sale will be held at (the United States marshal's office or the mortgaged premises) in the District of Columbia on the __ day of _____, 19__, at __ o'clock __ meridian by the United States marshal in and for the District of Columbia to satisfy the amount due on the mortgage at the date of sale and the costs of foreclosure. The amount claimed to be due on said mortgage at the date of the sale, exclusive of costs, is $_____.

The terms of sale are _____.

Dated _____.

(Name and address) (Name and address)
Attorney for record owner. Record owner of the mortgage.

CERTIFICATE OF FORECLOSURE SALE

(6) I, _____, as United States marshal of and for the District of Columbia, do hereby certify that by virtue of a power of sale contained in a mortgage executed by _____, mortgagor, to _____, mortgagee (or trustee), dated _____, and recorded in the office of the recorder of deeds of the District of Columbia (give date and place of record), and in pursuance of the notice of foreclosure (if desired, the name of newspaper and place and dates of publication of the notice of sale can be included), I did, at the time and place specified in such notice, to wit: (Give time and place) (if the sale was postponed, recite each postponement, giving the time to which postponed, and recite that the sale was made at the last time to which postponed) expose for sale, and did sell at public auction, the following premises described in said mortgage, to wit: (Describe premises) to _____ for the sum of $_____ (describe terms if sale not all for cash) (if sold in separate parcels, give separate description of each parcel and name of purchaser and amount paid for each parcel) he being the highest bidder, and that being the highest price bidden therefor. (If the premises were offered as separate tracts and no bids or insufficient bids received, and the whole then offered as one tract, this may be recited.) That the sale was openly and lawfully conducted, and that the said premises are subject to redemption at any time within 15 days from the day of sale, as provided by law.

In witness whereof, I have executed this certificate of sale this __ day of _____, 19__. (Or use other testimonium clause. Add signature of marshal by himself or by a deputy and other formalities of execution.)

CERTIFICATE OF REDEMPTION

(7) I, _____, as United States marshal of and for the District of Columbia, do hereby certify that (name and address of person redeeming) has this day paid to me the sum of $_____ in redemption of the following-described premises (describe premises redeemed) from the sale thereof made on (date of sale) on the foreclosure of a mortgage on said premises executed by _____ mortgagor, to _____, mortgagee (or trustee), dated _____, and recorded in the office of the recorder of deeds of the District of Columbia (give date and place of record), at which sale said premises were sold to _____ for the sum of $_____ (recite terms, if any), the certificate of which sale was recorded in the office of the recorder of deeds of the District of Columbia (give date and place of record).

I further certify that such redemption was made by said _____, upon the claim that he is the owner of the premises above described. (If redemption is by a lienor, state that he redeems upon the claim that he has a lien on the premises, and identify the lien by giving parties, date, and place of record, or other identifying facts, of the original lien instrument and assignments thereof. Recite the amount claimed to be owing on the lien at the date of redemption, and that the documents evidencing his right to redeem were produced and exhibited to the marshal as required by law.)

In witness whereof I have executed this certificate of redemption this __ day of _____, 19__. (Or use other testimonium clause. Add signature of marshal by himself or by a deputy and other formalities of execution.)

(The above form is for use when redemption is made by payment to the marshal, and fitting changes must be made when the certificate is executed by the owner of the marshal's certificate of sale.)

SEC. 25. Court foreclosure not affected: The provisions of sections 2 to 24, both inclusive, of this act relate to foreclosure of mortgages by power of sale, and do not in any way affect foreclosure in court as at present exercised. Foreclosure by power of sale under the provisions of said sections is an optional method of foreclosure, and is in addition to foreclosure by suit, action, or proceedings in court.

SEC. 26. Interest or payments collected on prior encumbrance: Where any mortgage, or note, contract, or auxiliary instrument connected therewith, shall provide for payment to the mortgagee or trustee of interest or other sums to be applied on or against an indebtedness under a prior or superior mortgage, the owner or holder of the inferior mortgage, or his agent, to whom such payment is made in the first instance, shall credit the mortgagor with interest on such payment from the time it is received until it is paid to the owner or holder of the prior mortgage, at the rate of not less than 3 per cent per annum; and failure to give such credit shall make the owner or holder of the inferior mortgage subject to payment of damages in the amount of twenty times the interest withheld, together with costs of the action and a reasonable attorney's fee to be allowed by the court.

SEC. 27. Releases to enable refinancing: In the event a mortgagor (including a grantor in a deed of trust to secure an indebtedness) shall find it necessary or deem it advisable to refinance any mortgage which is a first or superior lien on the premises mortgaged, and where there are second or other inferior mortgages upon such premises, he may require the owner, holder, or trustee of any such inferior lien or encumbrance to release such mortgage pending the recording of the new mortgage constituting a substitute for the existing first mortgage: *Provided, however,* That such new mortgage does not exceed the amount of the superior mortgage indebtedness which it supersedes; and the second or other inferior mortgage shall then be reinstated of record by the recorder of deeds of the District of Columbia without loss of priority over any other lien, debt, judgment, or claim to which it was superior before such release, and without impairing the validity, security, or priority of any note, bond, or other evidence of indebtedness secured thereby; and it shall be unlawful for the owner, holder, or trustee of such second or other inferior mortgage, or any other person for them, to make any charge against the mortgagor by way of commission, attorney's fee, bonus, or otherwise, for such release and reinstatement in a sum greater than one-half of 1 per cent of the amount of the debt secured thereby. If any greater charge shall be collected or attempted to be collected, the mortgagor shall be entitled to recover damages of five times the excess, together with costs and a reasonable attorney's fee to be allowed by the court. Failure to make release as provided in this section shall entitle the mortgagor to recover double the amount of damages occasioned by such failure, together with costs and a reasonable attorney's fee to be allowed by the court.

SEC. 27a. No release by a trustee or mortgagee shall affect or impair the lien of a note or other evidence of indebtedness secured by the instrument released, unless the note, bond, or other evidence of indebtedness secured shall be presented to the recorder of deeds of the District of Columbia and be by him stamped "Canceled and released," and he shall note such fact on the margin of the record of the instrument so released. If any such note or other evidence of indebtedness be lost, destroyed, or otherwise incapable of production, the lien thereof may be canceled upon release by the trustee or mortgagee of the instrument securing such note or other evidence of indebtedness and the filing with the recorder of deeds of an affidavit setting forth the reason such note or other evidence of indebtedness is not presented, together with a bond, approved by the Supreme Court of the District of Columbia or one of the justices thereof acting in official capacity, assuring the payment of such note or other evidence of indebtedness.

SEC. 27b. Any trustee of a deed of trust, or other person acting in like fiduciary capacity, who shall receive money or other thing of value for the payment of the debt or debts secured by the deed of trust, mortgage, or similar instrument and shall fail to make payment or delivery of that which is due the owner of the debt or debts by reason of unauthorized conversion of such money or other thing to his own use or that of another without legal authorization, shall be deemed guilty of a felony, and upon conviction thereof shall be punished by imprisonment for not less than five years and not more than 20 years.

SEC. 27c. It shall be unlawful for any natural person or any firm, corporation, or association, except a bank, trust company, or building and loan association doing business under the supervision of the Comptroller of the Currency, to act as trustee of a trust mortgage when the principal sum secured exceeds $25,000, and any act of such person, firm, corporation, or association shall be null and void. Any person, firm, corporation, or association who or which acts, attempts to act, or pretends to act as such trustee

shall be deemed guilty of a felony, and upon conviction thereof shall be punished by a fine of not less than $100 and not more than $10,000, or by imprisonment for not less than one year and not more than five years.

SEC. 28. Liberal construction: Any rule that statutes in derogation of the common law are to be strictly construed shall have no application to this act.

SEC. 29. Rules for cases not provided for in this act: In any case not provided for in this act the rules of law and equity, including the law merchant, shall govern.

SEC. 30. Not to apply to existing mortgages or agreements: The provisions of this act shall not apply to mortgages made and delivered and/or agreements made and entered into before the act takes effect.

SEC. 31. Repeal: Sections 539 and 545 of the Code of Laws of the District of Columbia are hereby repealed except as to mortgages existing at the time the act takes effect, and all acts or parts of acts applying to the District of Columbia inconsistent with the provisions of this act are hereby repealed.

SEC. 32. Time of taking effect: This act shall take effect on and after July 1, 1931.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PREVENTION OF FRAUD IN SALE OF STOCKS, ETC.

The Senate proceeded to consider the bill (S. 3491) to prevent fraud in the promotion or sale of stocks, bonds, or other securities sold or offered for sale within the District of Columbia; to control the sale of the same; to register persons selling stocks, bonds, or other securities; and to provide punishment for the fraudulent or unauthorized sale of the same; to make uniform the law in relation thereto, and for other purposes, which had been reported from the Committee on the District of Columbia with amendments.

The amendments were, on page 13, line 3, to strike out the words "this State" and insert the words "the District of Columbia"; on page 15, to strike out lines 11 to 24 inclusive; and on page 16, lines 1 and 2; on page 19, after the numeral "(4)," to insert the word "and," after "(5)," to strike out "and (6)"; on page 20, line 7, after "(4)," to insert the word "and," and after "(5)," to strike out "and (6)"; on page 21, line 15, strike out the word "subsections" and insert the word "subsection," and after "(1)" strike out "or (2)"; on page 21, line 21, after the word "subsections," insert "(2)," and in the same line after "(5)," insert the word "and," after "(6)," strike out "and (7)"; on page 40, after the word "enjoin," to insert the words "preliminarily, temporarily, and/or permanently"; on page 42, line 22, after the word "imprisonment," to strike out "but an affirmative showing that an act or omission which constituted a violation occurred in good faith, and on reasonable grounds for believing it not to be a violation shall relieve from the penalty prescribed in this section"; on page 45, line 15, after the word "than," strike out the word "eight" and insert the word "eighteen"; on page 48, strike out lines 22, 23, 24, and 25, and, on page 49, lines 1 to 6, inclusive; on page 50, line 3, after the word "such," insert the words "act of May 29, 1916, and"; on page 51, after the word "Columbia," to insert "and there is hereby authorized to be appropriated such as is necessary for the administration of this act"; and to renumber the sections, so as to make the bill read:

Be it enacted, etc.—

DEFINITIONS

SECTION 1. When used in this act the following terms shall, unless the text otherwise indicates, have the following respective meanings:

(1) "Security" shall include any note, stock, treasury stock, bonds, debenture, evidence of indebtedness, certificate of interest or participation, or right to subscribe to any of the foregoing, certificates of interest in a profit-sharing agreement, certificate of interest in an oil, gas, or mining lease, collateral trust certificate, preorganization certificate, preorganization subscription, any transferable share, investment contract, or beneficial interest in title to property, profits or earnings, or any other instrument commonly known as a security, including an interim or temporary bond, debenture, note, certificate, or receipt for a security or for subscription to a security.

(2) "Person" shall include a natural person, a corporation created under the laws of the District of Columbia, or any State, country, sovereignty, or political subdivision thereof, a partnership, an association, a joint-stock company, a trust, and any unincorporated organization. As used herein the term "trust" shall not include a trust created or appointed under or by virtue of a last will and testament, or by a court of law or equity, or any public charitable trust.

(3) "Sale" or "sell" shall include every disposition or attempt to dispose of a security or interest in a security for value. Any security given or delivered with, or as a bonus on account of, any purchase of securities or any other thing shall be conclusively presumed to constitute a part of the subject of such purchase and to have been sold for value. "Sale" or "sell" shall also include a contract to sell, an exchange, an attempt to sell, an option of sale, a solicitation of a sale, a subscription or an offer to sell, directly or by an agent, or a circular, letter, advertisement, or otherwise: *Provided*, That a privilege pertaining to a security giving the holder the privilege to convert such security into another security of the same issuer shall not be deemed a sale of such other security within the meaning of this definition and such privilege shall not be construed as affecting the status of the security to which such privilege pertains with respect to exemption or registration under the provisions of this act, but when such privilege of conversion shall be exercised such conversion shall be subject to the limitations hereinafter provided in subsection (h) of section 5: *And provided further*, That the issue or transfer of a right pertaining to a security and entitling the holder of such right to subscribe to another security of the same issuer, when such right is issued or transferred with the security to which it pertains, shall not be deemed a sale of such other security within the meaning of this definition and such right shall not be construed as affecting the status of the security to which such right pertains with respect to exemption or registration under the provisions of this act; but the sale of such other security upon the exercise of such right shall be subject to the provisions of this act.

(4) "Dealer" shall include every person other than a salesman who in the District of Columbia engages either for all or part of his time, directly or through an agent, in the business of selling any securities issued by another person or purchasing or otherwise acquiring such securities from another for the purpose of reselling them or of offering them for sale to the public; or offering, buying, selling, or otherwise dealing or trading in securities as agent or principal for a commission or at a profit; or who deals in futures or differences in market quotations of prices or values of any securities or accepts margins on purchases or sales or pretended purchases or sales of securities: *Provided*, That the word "dealer" shall not include a person having no place of business in the District of Columbia who sells or offers to sell securities exclusively to brokers or dealers actually engaged in buying and selling securities as a business.

(5) "Issuer" shall mean and include every person who proposes to issue, has issued, or shall hereafter issue any security. Any person who acts as a promoter for and on behalf of a corporation, trust, or unincorporated association or partnership of any kind to be formed shall be deemed to be an issuer.

(6) "Salesman" shall include every natural person, other than a dealer, employed or appointed or authorized by a dealer or issuer to sell securities in any manner in the District of Columbia. The partners of a partnership and the executive officers of a corporation or other association registered as a dealer shall not be salesmen within the meaning of this definition.

(7) "Broker" shall mean dealer as herein defined.

(8) "Agent" shall mean salesman as herein defined.

(9) "Commission" shall mean the Public Utilities Commission of the District of Columbia.

(10) "Mortgage" shall be deemed to include any trust instrument to secure a debt.

ADMINISTRATION OF ACT

SEC. 2. The administration of the provisions of this act shall be vested in the Public Utilities Commission of the District of Columbia.

ENFORCEMENT OF ACT

The commission shall employ from time to time such officers, attorneys, clerks, and employees as are necessary for the administration of this act. They shall perform such duties as the commission shall assign to them, and their compensation shall be fixed in like manner as other employees of the commission.

The commission or any person appointed or employed by the commission shall be paid, in addition to their salary or compensation when required to travel on official duty, the railroad fare, board, lodging, and other traveling expenses necessary and actually incurred by each of them in the performance of the duties required by this act or performed by the direction of the commission.

The commission shall keep a complete record of all its meetings, of its acts, and of the business it transacts under and in accordance with the provisions of this act, and may prepare all necessary rules, regulations, and blank forms for the conduct of its business and to make effectual the purpose and provisions of this act.

The commission shall report annually to Congress, as soon as possible after January 1, such report to contain a report of the work of the commission under this act during the preceding calendar year, and such data, information, and recommendation as may be necessary or appropriate.

EXEMPT SECURITIES

SEC. 4. Except as hereinafter otherwise expressly provided, the provisions of this act shall not apply to any of the following classes of securities:

(a) Any security issued or guaranteed by the United States or any Territory or insular possession thereof, or by the District of

Columbia, or by any State of the United States or political subdivision or agency thereof.

(b) Any security issued or guaranteed by any foreign government with which the United States is at the time of the sale or offer of sale thereof maintaining diplomatic relations, or by any state, province, or political subdivision thereof having the power of taxation or assessment, which security is recognized at the time it is offered for sale in the District of Columbia as a valid obligation by such foreign government or by such state, province, or political subdivision thereof issuing the same.

(c) Any security issued by and representing an interest in or a direct obligation of a national bank or issued by any Federal land bank of joint-stock land bank or national farm-loan association under the provisions of the Federal farm loan act of July 17, 1916, or by any corporation created and acting as an instrumentality of the Government of the United States pursuant to authority granted by the Congress of the United States.

(d) Any security issued or guaranteed either as to principal, interest, or dividend by a corporation owning or operating a railroad or any other public-service utility: *Provided*, That such corporation is subject to regulation or supervision either as to its rates and charges or as to the issue of its own securities by a public commission, board, or officer of the Government of the United States, or of any State, Territory, or insular possession thereof, or of any municipality located therein, or of the District of Columbia, or of the Dominion of Canada or any Province thereof; also equipment securities based on chattel mortgages, leases, or agreements for conditional sale of cars, motive power, or other rolling stock mortgaged, leased, or sold to or furnished for the use of or upon such railroad or other public-service utility corporation or where the ownership or title of such equipment is pledged or retained in accordance with the provisions of the laws of the United States or of any State, or of the Dominion of Canada, to secure the payment of such equipment securities; also bonds, notes, or other evidences of indebtedness issued by a holding corporation and secured by collateral consisting of any securities hereinabove in this clause (d) described: *Provided*, That the collateral securities equal in fair value at least 125 per cent of the par value of the bonds, notes, or other evidences of indebtedness so secured.

(e) Any security issued by a corporation organized exclusively for religious, educational, benevolent, fraternal, charitable, or reformatory purposes and not for pecuniary profit, and no part of the net earnings of which inures to the benefit of any private stockholder or individual.

(f) Securities appearing in any list of securities dealt in on any recognized and responsible stock exchange or similar organization which has been previously approved by the commission, and which securities have been so listed pursuant to official authorization by such exchange, and also all securities senior to any securities so listed, or represented by subscription rights which have been so listed, or evidences of indebtedness guaranteed by companies any stock of which is so listed, such securities to be exempt only so long as such listing shall remain in effect. The commission shall have power at any time to withdraw approval theretofore granted by it to any exchange, and upon such withdrawal no security listed on such exchange shall be longer entitled to the benefit of such exemption. The commission shall also have power to deny this exemption with reference to any particular security listed on any such exchanges, by order published in such manner as the commission shall find proper.

(g) Any security issued by and representing an interest in or a direct obligation of any bank, trust company, or savings institution incorporated under the laws of and subject to the examination, supervision, and control of the District of Columbia or the United States; or by any insurance company under the supervision of the superintendent of insurance of the District of Columbia; or issued by any building and loan association of the District of Columbia under like supervision.

(h) Negotiable promissory notes or commercial paper: *Provided*, That such issue of notes or commercial paper matures in not more than 12 months from date of issue and shall be issued within 3 months after the date of sale.

(i) Any security, other than common stock, providing for a fixed return, which has been outstanding and in the hands of the public for a period of not less than 10 years, upon which no default in payment of principal or failure to pay the return fixed, has occurred for a continuous immediately preceding period of 5 years.

EXEMPT TRANSACTIONS

SEC. 5. Except as hereinafter expressly provided, the provisions of this act shall not apply to the sale of any security in any of the following transactions:

(a) At any judicial, executor's, administrator's, guardian's, or conservator's sale, or at any sale by a receiver or trustee in insolvency or bankruptcy.

(b) By or for the account of a pledge holder or mortgagee selling or offering for sale or delivery in the ordinary course of business and not for the purpose of avoiding the provisions of this act, to liquidate a bona fide debt, a security pledged in good faith as security for such debt.

(c) An isolated transaction in which any security is sold, offered for sale, subscription, or delivery by the owner thereof, or by his representative for the owner's account, such sale or offer for sale, subscription, or delivery not being made in the course of repeated and successive transactions of a like character by such owner, or on his account by such representative, and such owner or representative not being the underwriter of such security.

(d) The distribution by a corporation, actively engaged in the business authorized by its charter, of securities to its stockholders or other securities holders as a stock dividend or other distribution out of earnings or surplus; or the issuance of securities to the security holders or other creditors of a corporation in the process of a bona fide reorganization of such corporation made in good faith and not for the purpose of avoiding the provisions of this act, either in exchange for the securities of such security holders or claims of such creditors or partly for cash and partly in exchange for the securities or claims of such security holders or creditors; or the issuance of additional capital stock of a corporation sold or distributed by it among its own stockholders exclusively, where no commission or other remuneration is paid or given directly or indirectly in connection with the sale or distribution of such increased capital stock.

(e) The sale, transfer, or delivery of any securities to any bank, savings institution, trust company, insurance company, or to any corporation or to any broker or dealer: *Provided*, That such broker or dealer is actually engaged in buying and selling securities as a business.

(f) The transfer or exchange by one corporation to another corporation of their own securities in connection with a consolidation or merger of such corporations,

(g) Bonds or notes secured by mortgage upon real estate or tangible personal property where the entire mortgage, together with all of the bonds or notes secured thereby, are sold to a single purchaser at a single sale.

(h) The issue and delivery of any security in exchange for any other security of the same issuer pursuant to a right of conversion entitling the holder of the security surrendered in exchange to make such conversion: *Provided*, That the security so surrendered has been registered under the law or was, when sold, exempt from the provisions of the law and that the security issued and delivered in exchange if sold at the conversion price would at the time of such conversion fall within the class of securities entitled to registration by notification under the law. Upon such conversion the par value of the security surrendered in such exchange shall be deemed the price at which the securities issued and delivered in such exchange are sold.

(i) Subscriptions for shares of the capital stock of a corporation prior to the incorporation thereof under the laws of the District of Columbia, when no expense is incurred, or no commission, compensation, or remuneration is paid or given for or in connection with the sale or disposition of such securities.

REGISTRATION OF SECURITIES

SEC. 6. No securities except of a class exempt under any of the provisions of section 4 hereof or unless sold in any transaction exempt under any of the provisions of section 5 hereof shall be sold within the District of Columbia unless such securities shall have been registered by notification or by qualification as hereinafter defined. Registration of stock shall be deemed to include the registration of rights to subscribe to such stock if the notice under section 7 or the application under section 8 for registration of such stock includes a statement that such rights are to be issued. A record of the registration of securities shall be kept in a register of securities to be kept in the office of the commission, in which register of securities shall also be recorded any orders entered by the commission with respect to such securities. Such register and all information with respect to the securities registered therein shall be open to public inspection.

REGISTRATION BY NOTIFICATION

SEC. 7. 1. Securities entitled to registration by notification. The following classes of securities shall be entitled to registration by notification in the manner provided in this section:

(1) Securities issued by a corporation, partnership, association, company, syndicate, or trust owning a property, business, or industry which has been in continuous operation not less than 3 years and which has shown during a period of not less than 2 years or more than 10 years next prior to the close of its last fiscal year preceding the offering of such securities average annual net earnings, after deducting all prior charges, not including the charges upon securities to be retired out of the proceeds of sale, as follows:

(a) In the case of interest-bearing securities, not less than one and one-half times the annual interest charge thereon and upon all other outstanding interest-bearing obligations of equal rank.

(b) In the case of preferred stock, not less than one and one-half times the annual dividend requirements on such preferred stock and on all other outstanding stock of equal rank.

(c) In the case of common stock, not less than 5 per cent upon all outstanding common stock of equal rank, together with the amount of common stock then offered for sale reckoned upon the price at which such stock is then offered for sale or sold.

The ownership by a corporation, partnership, association, company, syndicate, or trust of more than 50 per cent of the outstanding voting stock of a corporation shall be construed as the proportionate ownership of the property, business, or industry of such corporation, and shall permit the inclusion of the earnings of such corporation applicable to the payment of dividends upon the stock so owned in the earnings of the corporation, partnership, association, company, syndicate, or trust issuing the securities sought to be registered by notification.

2. Bonds or notes secured by first mortgage on real estate in any State or Territory of the United States or in the District of Columbia or in the Dominion of Canada where such real estate consists of agricultural lands used and valuable for agricultural purposes (not including oil, gas, or mining property) and where

the aggregate face value of the bonds or notes, not including interest notes or coupons, secured on such property does not exceed 70 per cent of the then assessed value of said lands on the basis defined in subsection 2 preceding plus 60 per cent of the insured value of any improvement thereon.

3. Bonds or notes secured by first mortgage on real estate in any State or Territory of the United States or in the District of Columbia or in the Dominion of Canada where such real estate consists of improved city, town, or village property and where the aggregate face value of such bonds or notes, not including interest notes or coupons, secured on such property does not exceed 70 per cent of the then assessed valuation of said property on the basis defined in subsection 2 preceding, including any improvements appurtenant thereto, and when said property is used principally to produce through rental a net annual income, after deducting operating expenses and taxes, at least equal to the annual interest plus not less than 3 per cent of the principal of said mortgage indebtedness.

4. Bonds or notes secured by a mortgage constituting a closed first lien on a leasehold of real estate in any State or Territory of the United States or in the District of Columbia where such real estate consists of improved city, town, or village property and where the aggregate face value of such bonds or notes, not including interest notes or coupons, secured by such first mortgage does not exceed 70 per cent of the then fair market value of said leasehold in the opinion of an official finally responsible for assessment of the fee ownership of the property leased, and when said property is so used as to produce through rental a net annual income after deducting operating expenses and taxes, at least equal to the annual interest plus not less than 3 per cent of the principal of said mortgage indebtedness: *Provided*, That all advertisements, circulars, and letters advertising the sale of said bonds or notes, and all receipts of payments therefor, and said bonds and notes shall bear in bold or black face type not less than the size known as 18-point upon the face thereof a legend stating that said bonds or notes are secured by mortgage on a leasehold, and all other written or printed offerings shall contain a statement to the same effect.

5. Bonds or notes secured by a first mortgage upon real estate in any State or Territory of the United States or in the District of Columbia where the mortgage is a first mortgage upon city, town, or village real estate, or leasehold, upon which real estate or leaseholds building or buildings is or are about in good faith forthwith to be erected according to the express terms of the mortgage and where reasonably adequate provision has been made by surety or otherwise for financing the full completion of said building clear of any lien superior to said mortgage and where the aggregate face value of the bonds or notes, not including interest notes or coupons, secured by such first mortgage does not exceed 70 per cent of the assessed value of such mortgaged property, on the basis defined in subsection 2 preceding or a fair value certified as under subsection 5, including the actual cost of the building or buildings to be erected thereon as aforesaid, and where said mortgaged property is to be used principally to produce through rental a net annual income, after deducting operating expenses and taxes, at least equal to the annual interest plus not less than 3 per cent of the principal of said mortgage indebtedness: *Provided*, That all advertisements, circulars, and letters advertising the sale of said bonds or notes and all receipts or payments therefor shall bear in bold or black face type, not less than 18 point in size, upon the face thereof a legend stating that said bonds or notes are construction bonds or notes, and all other written or printed offerings of said bonds or notes shall bear a statement to the like effect: *And provided further*, That where said bonds or notes are secured wholly or partly by first mortgage or leaseholds, the value of such leaseholds is required to meet the ratio of property value to face value obligations above in this subsection provided, and all advertisements, circulars, and letters advertising the sale of said bonds or notes, and all receipts of payments therefor, and said bonds and notes shall bear in bold or black face type, not less than 18 points in size, upon the face thereof a legend stating that said bonds or notes are secured wholly or partly by mortgage on a leasehold, as the case may be, and all other written or printed offerings of said bonds or notes shall contain a statement to the same effect.

6. Bonds or notes secured by first lien on collateral pledged as security for such bonds or notes with a bank or trust company as trustee, which bank or trust company is incorporated under the laws of and subject to examination and supervision by the United States or by a State of the United States, which collateral shall consist of one or more of the following: (a) A principal amount of first-mortgage bonds or notes conforming to the requirements of any one or more of subsections (2), (3), (4), and (5) of section 7; (b) a principal amount of obligations secured as hereinafter in this subsection provided; (c) a principal amount of obligations of the United States; (d) cash; the aggregate to be not less than 100 per cent of the aggregate principal amount of all bonds or notes secured thereby. The portion of such collateral referred to in clause (b) shall consist of obligations secured by a first lien on a principal amount of first-mortgage bonds or notes conforming to the requirements of any one or more of subsections (2), (3), (4), and (5) of section 7, or a principal amount of obligations of the United States or cash equal to not less than 100 per cent of the aggregate principal amount of such obligations so secured thereby, and all such pledged securities, including cash so securing such obligations, shall have been deposited with a bank or trust company as trustee, which bank or trust company is incorporated under the laws of and subject to examination and supervision by the United States or by a State of the United States.

(8) The commission shall have power and authority to receive registration by notification of other securities which are substantially of the same quality and description as one or more of the specific classes above named, although not specifically heretofore described.

II. PROCEDURE FOR REGISTRATION BY NOTIFICATION

Securities entitled to registration by notification shall be registered by the filing by the issuer or by any registered dealer interested in the sale thereof in the office of the commission of a verified statement with respect to such securities containing the following:

(a) Name of issuer, location, and, if incorporated, place of incorporation.

(b) A brief description of the security, including amount of the issue.

(c) Amount of securities to be offered in the District of Columbia.

(d) A brief statement of the facts which show that the security falls within one of the classes in this section defined.

(e) The price at which the securities are to be offered for sale to the public.

In the case of securities falling within the class defined by subsection (1), a copy of the circular to be used for the public offering shall be filed in the office of the commission with the statement or within two days thereafter, or within such further time as the commission shall allow.

In the case of securities falling within the classes defined by subsections (2), (3), (4), (5), and (6), the circular to be used for the public offering shall be filed with the statement.

The filing of such statement in the office of the commission and the payment of the fee hereinafter provided shall constitute the registration of such security. Upon such registration such securities may be sold in the District of Columbia by any registered dealer giving notice in the manner hereinafter provided in section 11, subject, however, to the further order of the commission as hereinafter provided.

If at any time in the opinion of the commission the information contained in the statement or circular filed is or has become misleading, incorrect, inadequate, or incomplete, or the sale or offering for sale of the security may work or tend to work a fraud, the commission may require from the person filing such statement such further information as may in its judgment be necessary to establish the classification of such security as claimed in said statement or to enable the commission to ascertain whether the registration of such security should be revoked on any ground specified in section 10, and the commission may also suspend the right to sell such security pending further investigation by entering an order specifying the grounds for such action, and by notifying by mail, or personally, or by telephone, confirmed in writing, or by telegraph, the person filing such statement and every registered dealer who shall have notified the commission of an intention to sell such security. The refusal to furnish information required by the commission within a reasonable time to be fixed by the commission may be a proper ground for the entry of such order of suspension. Upon the entry of any such order of suspension no further sales of such security shall be made until the further order of the commission.

In the event of the entry of such order of suspension the commission shall upon request give a prompt hearing to the parties interested. If no hearing is requested within a period of 20 days from the entry of such order, or if upon such hearing the commission shall determine that any such security does not fall within a class entitled to registration under this section, or that the sale thereof should be revoked on any ground specified in section 10, it shall enter a final order prohibiting sales of such security, with its findings with respect thereto: *Provided*, That if the finding with respect to such security is that it is not entitled to registration under this section, the applicant may apply for registration by qualification by complying with the requirements of section 8. Until the entry of such final order the suspension of the right to sell, though binding upon the persons notified thereof, shall be deemed confidential, and shall not be published, unless it shall appear that the order of suspension has been violated after notice. Appeals from such final order may be taken as hereinafter provided. If, however, upon such hearing the commission shall find that the security is entitled to registration under this section and that its sale will neither be fraudulent nor result in fraud, it shall forthwith enter an order revoking such order of suspension, and such security shall be restored to its status as a security registered under this section as of the date of such order of suspension.

At the time of filing the statement, as hereinbefore prescribed in this section, the applicant shall pay to the commission a fee of one-twentieth of 1 per cent of the aggregate par value of the securities to be sold in the District of Columbia for which the applicant is seeking registration, but in no case shall such fee be less than $20 or more than $500. In the case of stock having no par value, the price at which such stock is to be offered to the public shall be deemed to be the par value of such stock.

REGISTRATION BY QUALIFICATION

SEC. 8. All securities required by this act to be registered before being sold in the District of Columbia and not entitled to registration by notification shall be registered only by qualification in the manner provided by this section.

The commission shall receive and act upon applications to have securities registered by qualification, and may prescribe forms on

which it may require such applications to be submitted. Applications shall be in writing and shall be duly signed by the applicant and sworn to by any person having knowledge of the facts, and filed in the office of the commission, and may be made either by the issuer of the securities for which registration is applied or by any registered dealer desiring to sell the same within the District of Columbia.

The commission may require the applicant to submit to it the following information respecting the issuer and such other relevant information as the commission may in its judgment deem necessary to enable it to ascertain whether such securities shall be registered pursuant to the provisions of this section:

(a) The names and addresses of the directors, trustees, and officers, if the issuer be a corporation or association or trust; of all partners, if the issuer be a partnership, and of the issuer, if the issuer be an individual.

(b) The location of the issuer's principal business office and of its principal office in the District of Columbia, if any.

(c) The purposes of incorporation (if incorporated) and the general character of the business actually to be transacted by the issuer, and the purposes of the proposed issue.

(d) A statement of the capitalization of the issuer; a balance sheet showing the amount and general character of its assets and liabilities on a day not more than 60 days prior to the date of filing such balance sheet; a detailed statement of the plant upon which the issuer proposes to transact business; a copy of the security for the registration of which application is made and a copy of any circular, prospectus, advertisement, or other description of such securities then prepared by or for such issuer or by or for such applicant (if the applicant shall not be the issuer) to be used for distribution or publication in the District of Columbia.

(e) A statement of the amount of the issuer's income, expenses, and fixed charges during the last fiscal year, or if in actual business less than one year, then for such time as the issuer has been in actual business.

(f) A statement showing the price at which such security is proposed to be sold, together with the maximum amount of commission or other form of remuneration to be paid in cash or otherwise, directly or indirectly, for or in connection with the sale or offering for sale of such securities.

(g) A detailed statement showing the items of cash, property, services, patents, good will, and any other consideration for which such securities have been or are to be issued in payment.

(h) The amount of capital stock which is to be set aside and disposed of as promotion stock, and a statement of all stock issued from time to time as promotion stock.

(i) If the issuer is a corporation, there shall be filed with the application a certified copy of its articles of incorporation with all amendments and of its existing by-laws, if not already on file in the office of the commission or of the recorder of deeds of the District of Columbia. If the issuer is a trustee there shall be filed with the application a copy of all instruments by which the trust is created or declared and in which it is accepted and acknowledged. If the issuer is a partnership or an unincorporated association, or joint-stock company, or any other form of organization whatsoever, there shall be filed with the application a copy of its articles of partnership or association and all other papers pertaining to its organization, if not already on file in the office of the commission or of the recorder of deeds of the District of Columbia.

All of the statements, exhibits, and documents of every kind required by the commission under this section, except properly certified public documents, shall be verified by the oath of the applicant or of the issuer in such manner and form as may be required by the commission.

With respect to securities required to be registered by qualification under the provisions of this section, the commission may by order duly recorded fix the maximum amount of commission or other form of remuneration to be paid in cash or otherwise, directly or indirectly, for or in connection with the sale or offering for sale of such securities in the District of Columbia.

At the time of filing the information, as hereinbefore prescribed in this section, the applicant shall pay to the commission a fee of one-tenth of 1 per cent of the aggregate par value of the securities to be sold in the District of Columbia for which the applicant is seeking registration, but in no case shall such fee be less than $20 or more than $500. In case of stock having no par value the price at which such stock is to be offered to the public shall be deemed to be the par value of such stock.

If upon examination of any application the commission shall find that the sale of the security referred to therein would not be fraudulent and would not work or tend to work a fraud upon the purchaser, and that the enterprise or business of the issuer is not based upon unsound business principles, it shall record the registration of such security in the register of securities, and thereupon such security so registered may be sold by the issuer or by any registered dealer who has notified the commission of his intention so to do, in the manner hereinafter provided in section 11, subject, however, to the further order of the commission as hereinafter provided.

CONSENT TO SERVICE

SEC. 9. Upon any application for registration by notification under section 7 made by an issuer, and upon any application for registration by qualification under section 8, whether made by an issuer or registered dealer, where the issuer is not domiciled in the District of Columbia, there shall be filed with such application the irrevocable written consent of the issuer that in suits, proceedings, and actions growing out of the violation of any provision of this act, the service on the secretary of the commission of any notice, process, or pleading therein, authorized by the laws of the District of Columbia, shall be as valid and binding as if due service had been made on the issuer. Any such action shall be brought either in the county of the plaintiff's residence or in the District of Columbia. Said written consent shall be authenticated by the seal of said issuer, if it has a seal, and by the acknowledged signature of a member of the copartnership or company, or by the acknowledged signature of any officer of the incorporated or unincorporated association, if it be an incorporated or unincorporated association, duly authorized by resolution of the board of directors, trustees, or managers of the corporation or association, and shall in such case be accompanied by a duly certified copy of the resolution of the board of directors, trustees, or managers of the corporation or association, authorizing the officers to execute the same. In case any process or pleadings mentioned in this act are served upon the commission it shall be by duplicate copies, one of which shall be filed in the office of the commission and another immediately forwarded by the secretary of the commission by registered mail to the principal office of the issuer against which said process or pleadings are directed.

REVOCATION OF REGISTRATION OF SECURITIES

SEC. 10. The commission may revoke the registration of any security by entering an order to that effect, with its findings in respect thereto, if upon examination into the affairs of the issuer of such security it shall appear that the issuer—

(1) Is insolvent; or

(2) Has violated any of the provisions of this act or any order of the commission of which such issuer has notice; or

(3) Has been or is engaged or is about to engage in fraudulent transactions; or

(4) Is in any other way dishonest or has made any fraudulent representations in any prospectus or in any circular or other literature that has been distributed concerning the issuer or its securities; or

(5) Is of bad business repute; or

(6) Does not conduct its business in accordance with law; or

(7) That its affairs are in an unsound condition; or

(8) That the enterprise or business of the issuer or the security is not based upon sound business principles.

In making such examination the commission shall have access to and may compel the production of all the books and papers of such issuer, and may administer oaths to and examine the officers of such issuer or any other person connected therewith as to its business and affairs and may also require a balance sheet exhibiting the assets and liabilities of any such issuer or his income statement, or both, to be certified to by a public accountant either of the District of Columbia, or of any State where the issuer's business is located, approved by the commission.

Whenever the commission may deem it necessary, it may also require such balance sheet or income statement, or both, to be made more specific in such particulars as the commission shall point out or to be brought down to the latest practicable date.

If any issuer shall refuse to permit an examination to be made by the commission it shall be proper ground for revocation of registration.

If the commission shall deem it necessary it may enter an order suspending the right to sell securities pending any investigation, provided that the order shall state the commission's grounds for taking such action.

Notice of the entry of such order shall be given by mail, or personally, or by telephone, confirmed in writing, or by telegraph, to the issuer and every registered dealer who shall have notified the commission of an intention to sell such security.

Before such order is made final, the issuer or dealer applying for registration shall on application be entitled to a hearing.

REGISTRATION OF DEALERS AND SALESMEN

SEC. 11. No dealer or salesman shall engage in business in the District of Columbia as such dealer or salesman or sell any securities, including securities exempted in section 4 of this act, except in transactions exempt under section 5 of this act, unless he has been registered as a dealer or salesman in the office of the commission pursuant to the provisions of this section.

An application for registration in writing shall be filed in the office of the commission in such form as the commission may prescribe, duly verified by oath, which shall state the principal office of the applicant, wherever situated, and the location of the principal office and all branch offices in the District of Columbia, if any, the name or style of doing business, the names, residence, and business addresses of all persons interested in the business as principals, copartners, officers, and directors, specifying as to each his capacity and title, the general plan and character of business and the length of time the dealer has been engaged in business. The commission may also require such additional information as to applicant's previous history, record, and association, as it may deem necessary to establish the good repute in business of the applicant.

There shall be filed with such application an irrevocable written consent to the service of process upon the executive secretary of the commission in actions against such dealer in manner and form as hereinabove provided in section 9.

If the commission shall find that the applicant is of good repute and has complied with the provisions of this section, including the payment of the fee hereinafter provided, it shall register such applicant as a dealer upon his filing a bond in the sum of $5,000 running in favor of the United States conditioned

upon the faithful compliance with the provisions of this act by said dealer and by all salemen registered by him while acting for him. Such bond shall be executed as surety by a surety company authorized to do business in the District of Columbia.

Upon the written application of a registered dealer and general satisfactory showing as to good character and the payment of the proper fee the commission shall register as salesmen of such dealer such natural persons as the dealer may request. Such registration shall cease upon the determination of the employment of such salesman by such dealer.

The names and addresses of all persons approved for registration as dealers or salesmen and all orders with respect thereto shall be recorded in a register of dealers and salesmen kept in the office of the commission, which shall be open to public inspection. Every registration under this section shall expire on the 31st day of December in each year, but new registrations for the succeeding year shall be issued upon written application and upon payment of the fee as hereinafter provided, without filing of further statements or furnishing any further information unless specifically required by the commission. Applications for renewals must be made not less than 30 nor more than 60 days before the first day of the ensuing year, otherwise they shall be treated as original applications. The fee for such registration and for each annual renewal shall be $25 in the case of dealers and $5 in the case of salesmen.

Changes in registration occasioned by changes in the personnel of a partnership or in the principals, copartners, officers, or directors of any dealer may be made from time to time by written application setting forth the facts with respect to such change.

Every registered dealer who intends to offer any security of any issue, registered or to be registered, shall notify the commission in writing of his intention so to do. The notice shall contain the name of the dealer and shall state the name of the security to be offered for sale, and whenever a dealer shall have prepared such notice and shall have forwarded the same by registered mail, postage prepaid, and properly addressed to the commission, such dealer, as to the contents of such notice and the filing thereof, shall be deemed to have complied with the requirements of this paragraph. Any issuer of a security required to be registered under the provisions of this act selling such securities except in exempt transactions as defined in section 5 hereof, shall be deemed a dealer within the meaning of this section 11 and required to comply with all the provisions hereof.

REVOCATION OF DEALERS' AND SALESMEN'S REGISTRATION

SEC. 12. Registration under section 11 may be refused or any registration granted may be revoked by the commission if after a reasonable notice and a hearing the commission determines that such applicant or registrant so registered:

(1) Has violated any provision of this act or any regulation made hereunder; or

(2) Has made a material false statement in the application for registration; or

(3) Has been guilty of a fraudulent act in connection with any sale of securities, or has been or is engaged or is about to engage in making fictitious or pretended sales or purchases of any of such securities or has been or is engaged or is about to engage in any practice or sale of securities which is fraudulent or in violation of the law; or

(4) Has demonstrated his unworthiness to transact the business of dealer or salesman.

In cases of charges against a salesman notice thereof shall also be given the dealer employing such salesman.

Pending the hearing the commission shall have the power to order the suspension of such dealer's or salesman's registration: *Provided,* That such order shall state the cause for such suspension.

Until the entry of a final order the suspension of such dealer's registration, though binding upon the persons notified thereof, shall be deemed confidential, and shall not be published, unless it shall appear that the order of suspension has been violated after notice.

In the event the commission determines to refuse or revoke a registration as hereinabove provided it shall enter a final order herein with its findings on the register of dealers and salesman; and suspension or revocation of the registration of a dealer shall also suspend or revoke the registration of all his salesmen.

It shall be sufficient cause for refusal or cancellation of registration in case of a partnership or corporation or any unincorporated association, if any member of a partnership or any officer or director of the corporation or association has been guilty of any act or omission which would be cause for refusing or revoking the registration of an individual dealer or salesman.

BURDEN OF PROOF

SEC. 13. It shall not be necessary to negative any of the exemptions in this act provided in any complaint, information, indictment, or any other writ or proceedings laid or brought under this act, and the burden of establishing the right to any such exemption shall be upon the party claiming the benefit of such exemption, and any person claiming the right to register any securities by notification under section 7 of this act shall also have the burden of establishing the right so to register such securities.

ESCROW AGREEMENT

SEC. 14. If the statement containing information as to securities to be registered, as provided for in section 8 of this act, shall disclose that any such securities or any securities senior thereto shall have been or shall be intended to be issued for any patent right, copyright, trade-mark, process, formula, or good will, or for organization or promotion fees or expenses or for good will or going-concern value or other intangible assets, the amount and nature thereof shall be fully set forth and the commission may require that such securities so issued in payment of such patent right, copyright, trade-mark, process, formula, or good will, or for organization or promotion fees or expenses, or for other intangible assets, shall be delivered in escrow to the commission or other depository satisfactory to the commission under an escrow agreement that the owners of such securities shall not be entitled to withdraw such securities from escrow until all other stockholders who have paid for their stock in cash shall have been paid a dividend or dividends aggregating not less than 6 per cent shown to the satisfaction of said commission to have been actually earned on the investment in any common stock so held; and in case of dissolution or insolvency during the time such securities are held in escrow, that the owners of such securities shall not participate in the assets until after the owners of all other securities shall have been paid in full.

INJUNCTIONS

SEC. 15. Whenever it shall appear to the commission, either upon complaint or otherwise, that in the issuance, sale, promotion, negotiation, advertisement, or distribution of any securities in the District of Columbia, including any security exempted under the provisions of section 4, and including any transaction exempted under the provisions of section 5, any person, as defined in this act, shall have employed or employs, or is about to employ any device, scheme, or artifice to defraud or for obtaining money or property by means of any false pretense, representation, or promise, or that any such person shall have made, makes, or attempts to make in the District of Columbia fictitious or pretended purchases or sales of securities or shall have engaged in or engages in or is about to engage in any practice or transaction or course of business relating to the purchase or sale of securities which is in violation of law or which is fraudulent or which has operated or which would operate as a fraud upon the purchaser, any one or all of which devices, schemes, artifices, fictitious, or pretended purchases or sales of securities, practices, transactions, and courses of business are hereby declared to be and are hereinafter referred to as fraudulent practices, or that any person is acting as dealer or salesman in the District of Columbia without being duly registered as such dealer or salesman as provided in this act; the commission may investigate, and whenever it shall believe from evidence satisfactory to it that any such person has engaged in, is engaged or is about to engage in any of the practices or transactions hereinbefore referred to as and declared to be fraudulent practices, or is selling or offering for sale any securities in violation of this act or is acting as a dealer or salesman without being duly registered as provided in this act, the commission may, in addition to any other remedies, bring action in the name and on behalf of the commission against such person and any other person or persons concerned in or in any way participating in or about to participate in such fraudulent practices or acting in violation of this act, to enjoin preliminarily, temporarily, and/or permanently such person and such other person or persons from continuing such fraudulent practices or engaging therein or doing any act or acts in furtherance thereof or in violation of this act. In any such court proceedings the commission may apply for and on due showing be entitled to have issued the court's subpœna requiring forthwith the appearance of any defendant and his employees, salesmen, or agents, and the production of documents, books, and records as may appear necessary for the hearing of such petition, to testify and give evidence concerning the acts or conduct or things complained of in such application for injunction. In such action the equity courts shall have jurisdiction of the subject matter, and a judgment may be entered awarding such injunction as may be proper.

REMEDIES

SEC. 16. (1) Every sale made in violation of any of the provisions of this act shall be voidable at the election of the purchaser; and the person making such sale and every director, officer, or agent of or for such seller, if such director, officer, or agent shall have personally participated or aided in any way in making such sale, shall be jointly and severally liable to such purchaser in an action at law in any court of competent jurisdiction upon tender of the securities sold or of the contract made for the full amount paid by such purchaser, with interest, together with all taxable court costs and reasonable attorney's fees: *Provided,* That no action shall be brought for the recovery of the purchase price after two years from the date of such sale: *And provided further,* That no purchaser otherwise entitled shall claim or have the benefit of this section who shall have refused or failed within 30 days from the date thereof to accept an offer in writing of the seller to take back the security in question and to refund the full amount paid by such purchaser, together with interest on such amount for the period from the date of payment by such purchaser down to the date of repayment, such interest to be computed—

(a) In case such securities consist of interest-bearing obligations, at the same rate as provided in such obligations; and

(b) In case such securities consist of other than interest-bearing obligations, at the rate of 6 per cent per annum, less, in every case, the amount of any income from said securities that may have been received by such purchaser.

(2) Any person having a right of action against a dealer or salesman under this section shall have a right of action under the bond provided in section 11.

(3) A registration by notification made in good faith and after the commission, on application, shall have given tentative consent to such registration, shall not, as to sales made prior to revocation of such registration, result in the liabilities prescribed in this section, although the securities may not be entitled to such registration.

PENALTY

SEC. 17. Whoever violates any provision of this act shall be punished by a fine of not more than $10,000 or by imprisonment for not more than five years, or by both such fine and imprisonment.

STATUTORY OR COMMON-LAW REMEDIES

SEC. 18. Nothing in this act shall limit any statutory or common-law right of any person to bring any action in any court for any act involved in the sale of securities, or the right of the United States or District of Columbia to punish any person for any violation of any law.

APPEALS

SEC. 19. An appeal may be taken by any person interested from any final order of the commission to the Supreme Court of the District of Columbia by serving upon the commission within 20 days after notice of the entry of such order a written notice of such appeal stating the grounds upon which a reversal of such final order is sought; a demand in writing for a certified transcript of the record and of all papers on file in its office relating to such order and executing a bond in a penal sum to be fixed by the court to the United States, with sufficient surety, to be approved by the court, conditioned upon the faithful prosecution of such appeal to final judgment, and the payment of all such costs as shall be adjudged against the appellant. Thereupon the commission shall within 10 days make, certify, and file with the clerk of said court such a transcript, or in lieu thereof the original papers if the court shall so order; and the appellant shall within five days thereafter file the same and a copy of the notice of appeal with the clerk of said court, which said notice of appeal shall stand as appellant's complaint, and thereupon said cause shall be entered on the trial calendar of said court for trial de novo and may be given precedence by the court over other matters pending in said court. The court shall receive and consider evidence, whether oral or documentary, concerning the order of the commission from which the appeal is taken. If the order of the commission shall be reversed, said court shall by its mandate specifically direct said commission as to its further action in the matter, including the making and entering of any order or orders in connection therewith, and the conditions, limitations, or restrictions to be therein contained: *Provided*, That the commission shall not thereby be barred from thereafter revoking or altering such order for any proper cause which may thereafter accrue or be discovered. If said order shall be affirmed, said appellant shall not be barred after 30 days from filing a new application: *Provided*, That such application is not otherwise barred or limited. Such appeal shall not in any wise suspend the operation of the order appealed from during the pendency of such appeal unless upon proper order of the court. An appeal may be taken from the judgment of the said court on any such appeal on the same terms and conditions as an appeal is taken in civil actions.

SEC. 20. The directors, officers, or agents referred to in section 16 of this act shall be liable under said section and shall also be liable to prosecution under section 17 for any unlawful act or omission of other persons who were employed by or associated with them, if by the exercise of reasonable care and diligence such directors, officers, or agents might have learned of such acts or omissions and given notice thereof to the commission, or might otherwise have prevented such acts or omissions and failed to do so.

SEC. 21. In all advertising, circulars, and other printed or written matter that may be used in selling securities there shall be specifically and distinctly stated in bold or black faced type not less than 18 point in size the amount and character of any prior or superior lien, mortgage, or incumbrance underlying the security offered.

SEC. 22. No deed of trust or similar instrument covering property in the District of Columbia encumbered or used to give value to security shall be held to be valid as such security by the commission in passing upon applications for registration by qualification or for registration by notification unless at least one of the trustees named in such deed or similar instrument is a resident of the District of Columbia and has been such for at least five years last past or is a corporation organized and existing under the laws of the District of Columbia, neither such person nor corporation to be otherwise associated or connected with other parties thereto.

SEC. 23. In any case where the commission is in doubt as to the substantial correctness of the value of property upon which securities are based, as stated by the applicant for registration by qualification or in the statement for registration by notification, it may select and appoint appraisers for the purpose of determining the value of the property, the expense of such appraisal to be borne by the applicant for registration.

SEC. 24. Where it is sought to secure registration by notification or qualification for a security payment of the principal and dividend or interest of which or payment of any part of the underlying obligation of which is guaranteed or assured by an insurance company, surety company, individual, corporation, partnership, or association, a certified copy of the guaranty, contract, or other agreement providing for the fulfillment of the obligation warranted to be paid or performed shall be filed with the commission and the commission shall have the right to require proof of the financial and legal ability of those undertaking the liability.

SEC. 25. In any statement as to the value of property sought to be used as the basis for security the commission may require a detailed itemization showing separately the value claimed for land, improvements, furnishings, equipment, machinery, and other tangible or intangible items of the total value claimed.

SEC. 26. If an issuer or dealer desires to include in any advertising, circular, or other written or printed matter an estimate of prospective or future earnings, the commission may require also the inclusion of a statement of actual earnings for such period as is deemed proper or practicable for all or any part of the property or properties covered by the security.

SEC. 27. The commission may require the use in advertising, circulars, or other written or printed matter of a statement of the assessed valuation of property covered by a security and of the actual cost of construction of improvements upon real property.

SEC. 28. Where in advertising, circulars, and other printed or written matter concerning a security there is included an estimate of prospective or future rental incomes, the commission shall have the power to order the inclusion also of a statement showing the actual percentage or proportion of occupancy and actual rental income for such period as it may deem proper or practicable.

SEC. 29. The commission shall have the power to order the statement in advertising, circulars, and other written or printed matter concerning the security of the purpose of the issue of the security; and if such purpose shall be stated as that of refunding existing obligations, the commission shall have the power to require satisfactory provision for the proper application of the fund realized to the purpose stated.

SEC. 30. The commission shall have the power to require, by any appropriate means, immediate notice to it and to security holders of any default in payment of principal, interest, dividends, sinking-fund deposit, or default in the performance of any other condition or obligation of a security by the person primarily obligated to pay or perform, notwithstanding payment or performance in his stead by any other person.

SEC. 31. If in any advertising, circular, or other written or printed matter concerning a security an appraisal value is stated, the commission shall have power to require also the inclusion of a statement showing whether such appraisal is based on earnings, actual or prospective, the original cost of the property less depreciation, or whether based on reproduction cost less depreciation.

VALIDITY OF PORTIONS OF ACT

SEC. 32. If any provision of this act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

UNIFORMITY OF INTERPRETATION

SEC. 33. This act shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of those States which enact it.

SHORT TITLE

SEC. 34. This act may be cited as the uniform sales of securities act.

REPEAL AND CONSTRUCTION

SEC. 35. This act supersedes and repeals the act of Congress approved May 29, 1916, entitled "An act to prevent fraudulent advertising in the District of Columbia," and any and all other laws and clauses of laws in conflict with this act, to take effect upon the day this act goes into force, to the extent only and in so far as such act of May 29, 1916, and other laws or parts of laws relate or apply to acts, transactions, or omissions with reference to securities as defined in this act subject, however, to the limitations provided in subdivisions (b) and (c) following:

(b) The provisions of all laws which are repealed by this act shall remain in force for the prosecution and punishment of any person who, before the effective date of this act, shall have violated the provisions of any laws in force at the time of such violation, and such person may be prosecuted and punished under the law as it existed when such violation occurred.

(c) In the case of sales, contracts, or agreements made prior to the effective date of this act, the civil rights and liabilities of the parties thereto shall remain as provided by the law as it existed at the time such sales, contracts, or agreements were made and all parts of laws repealed by this act shall remain in force for the enforcement of such rights and liabilities.

SEC. 36. All fees and other money paid to or coming into possession of the commisison by virtue of the provisions of this act shall be paid into the Treasury of the United States to the credit of the District of Columbia, and there is hereby authorized to be appropriated such sum as is necessary for the administration of this act.

SEC. 37. This act shall take effect 60 days after its approval.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NAVY DEPARTMENT APPROPRIATIONS

The Senate resumed consideration of the bill (H. R. 16969) making appropriations for the Navy Department and the

naval service for the fiscal year ending June 30, 1932, and for other purposes.

The VICE PRESIDENT. The pending amendment will be stated.

The CHIEF CLERK. The pending amendment is, on page 47, line 4, to strike out "$23,600,000" and insert "$31,100,000."

Mr. FRAZIER. Mr. President, I want to ask the chairman of the committee how much the 11 destroyers will ultimately cost, for the starting of which this $7,500,000 is to be appropriated?

Mr. HALE. The destroyers will cost $4,700,000 each for completion.

Mr. FRAZIER. That is in addition to the $7,500,000 provided in this amendment?

Mr. HALE. No. The provision in this bill is for sufficient appropriations for the first year's construction work on the destroyers.

Mr. FRAZIER. That is for starting the work on the 11 destroyers?

Mr. HALE. Yes.

Mr. FRAZIER. And the total expense will be $4,700,000 for each destroyer?

Mr. HALE. Yes.

Mr. FRAZIER. Mr. President, it seems to me that the purpose of the amendment is to start the work on the 11 destroyers which will ultimately cost $51,000,000, approximately. Of course, if the $7,500,000 provided for in this amendment is used to begin this work, then it would be an easy matter, apparently, to get the balance of the $51,000,000 to complete the work.

Mr. HALE. I should have said that with the $7,500,000 should be included an additional sum of $2,500,000 for the armor and armament of these ships, so that $10,000,000 is to be spent in the first year on the construction of the 11 destroyers.

Mr. FRAZIER. I thank the Senator for that correction. The two amendments on page 47 will amount to a total of $10,000,000. That is the amount to be used in the first year in beginning the construction of the 11 destroyers. That would leave about $41,000,000 balance to be appropriated and expended at a later time.

Mr. KING. Mr. President, I confess that this presents a new aspect to the amendment. I understood that the amendment in its entirety would be approximately $7,000,000. I was not advised that a future appropriation was contemplated which would make an aggregate of $50,000,000.

Mr. HALE. The Senator surely did not think we were going to build 11 destroyers for $10,000,000?

Mr. KING. No, I did not.

Mr. HALE. This is the customary way to appropriate for all ships of the Navy. An initial sum is appropriated for the first year's construction.

Mr. KING. I will frankly say my mind did not register when the amendment was read yesterday to the effect that we were called upon to authorize an expenditure of approximately $50,000,000. I supposed if we made the appropriation called for in the bill that would be the end of it, but my opposition to the measure will be intensified if I learn that this is just an entering wedge. We are putting the nose of the camel under the tent and the body will get into the tent when we are called upon to appropriate approximately $40,000,000 more. May I ask the Senator why he does not ask for an appropriation to complete two or three destroyers? Does the Senator intend to indicate that the Navy will lay down immediately the keels of 11 destroyers?

Mr. HALE. Mr. President, as I explained yesterday on the floor of the Senate, within a few years we shall not have any destroyers. It is highly important to go ahead with the program of completing some new destroyers.

Mr. KING. Will the Senator please answer my question? Is it the intention or expectation that the keels for 11 destroyers will be laid down immediately?

Mr. HALE. Absolutely; that is, within the next few months.

Mr. KING. The Senator is not satisfied and the Navy Department is not satisfied with an appropriation sufficient to build and complete at the earliest possible moment two or three destroyers?

Mr. HALE. I certainly should not be satisfied with that plan. Two or three destroyers, when we are going to need to build substantially 100, would be of very little use in starting the building of the destroyers under our program.

Mr. KING. I do not assent at all to the argument which the Senator made yesterday that the 300 destroyers which we had a few years ago, many of which were not completed until 1922 to 1924, are now archaic and useless. I do not agree with him that these destroyers, most of which have had no service or at least no sea service, are now obsolete and ready for the scrap heap. I have examined perhaps 100 or 200 of the destroyers within the past four years. I do not agree with the Senator that these destroyers are now out of date and unseaworthy, that because they have such powerful engines they have destroyed the fabric of the vessels, and therefore we must discard them and proceed at once to the construction of a large number of new destroyers.

Mr. HALE. I have explained to the Senate already that we have substantially 87 destroyers that are to be with the fleet. They are our best destroyers. They are not by any means in perfect condition, but they are able to go to sea. Then we have a certain number of destroyers which we are keeping in reserve. I think there are 64 of them. Of those only 17 are really in suitable condition to replace the vessels in active commission with the fleet. Our destroyer situation is a very critical one. It is up to us to build just as soon as we can ships to take the place of the old pre-war-designed destroyers.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 5114. An act to legalize bridges across the Staunton River at Brookneal, Route No. 18, Campbell County, and at Clover, Halifax County, route No. 12, State of Virginia;

S. 5255. An act to extend the time for the construction of a bridge across the Chesapeake Bay;

S. 5392. An act to legalize a bridge across the Pigeon River at or near Mineral Center, Minn.;

S. 5962. An act to authorize the Secretary of Commerce to continue the system of pay and allowances, etc., for officers and men on vessels of the Department of Commerce in operation as of July 1, 1929; and

S. 6041. An act to authorize an appropriation of funds in the Treasury to the credit of the District of Columbia for the use of the District of Columbia Commission for the George Washington Bicentennial.

TRANSPORTATION OF SCHOOL CHILDREN—CONFERENCE REPORT

Mr. CAPPER. Mr. President, will the Senator from Maine permit me to call up the conference report on House bill 12571, relating to the transportation of school children in the District, which was submitted some time since?

Mr. HALE. I yield for that purpose.

The VICE PRESIDENT. It is a privileged matter, and the report will be read.

The Chief Clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 12571) entitled "An act to provide for the transportation of school children in the District of Columbia at a reduced fare," having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with the following amendment:

In line 7 of the engrossed Senate amendment, after the word "exceed," strike out the language down to and includ-

ing the word "fares," in line 8, and insert in lieu thereof the words "three cents"; and the Senate agree to the same.

ARTHUR CAPPER,
JOHN J. BLAINE,
ROYAL S. COPELAND,
Managers on the part of the Senate.
F. N. ZIHLMAN,
CLARENCE J. MCLEOD,
MARY T. NORTON,
Managers on the part of the House.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. TYDINGS. Mr. President, I do not want to pose as a constitutional lawyer, but I do believe, and certain cases in court uphold my view, that if we fix the rate at 3 cents for school children, a proposition which I favor in a way, we, in effect, confiscate the property of the utility companies. That matter ought to be left to the rate-making organization. Obviously, if we can fix a rate at 3 cents for school children, we can compel railroad companies to carry freight for ½ cent a pound, or people for any amount we may see fit to fix. The courts have pretty generally held in some decisions which I have at hand, but which I will not call attention to now, that where Congress attempts to fix rates which in effect are confiscatory, they may be set aside. While I am in favor of the Senator's bill, I respectfully submit that the way to handle the matter is to write the bill in general terms and leave the rate-making body to fix the rate in accordance with the wishes of Congress.

Mr. COPELAND. Mr. President——

The VICE PRESIDENT. Does the Senator from Maryland yield to the Senator from New York?

Mr. TYDINGS. I yield to the Senator.

Mr. COPELAND. The criticism of the Senator is answered in part by reason of the fact that a definite rate is left to be fixed by the Public Utilities Commission, but it is not to exceed 3 cents.

Mr. TYDINGS. Yes; but that does not answer the question.

Mr. TRAMMELL. Mr. President——

The VICE PRESIDENT. Does the Senator from Maryland yield to the Senator from Florida?

Mr. TYDINGS. I yield to the Senator.

Mr. TRAMMELL. The Senator will recall the cases arising originally, I think, in Alabama, where the legislature prescribed a certain specific rate for passenger traffic and the railroads attacked it as confiscatory, but upon the case reaching the court the court held that unless it was confiscatory upon its face, it was prima facie reasonable and would be put into execution, and that the only way it could be established as being confiscatory was by an attack and the sustaining of that contention on the part of the common carrier. I think that is the prevailing decision throughout the country.

Mr. TYDINGS. That is true, but the point I make is that a rate of 3 cents will show just that state of facts, because, taking the number of passengers that travel on the street cars, I am informed, they diminished considerably during the past year——

Mr. TRAMMELL. Will the Senator yield further?

The VICE PRESIDENT. Does the Senator from Maryland yield further to the Senator from Florida?

Mr. TYDINGS. Let me finish my statement, and I will yield. But, be that as it may, I want to favor the Senator's proposition. I am not attacking his desire to afford cheaper transportation rates to school children; I am thoroughly in favor of it; but this is not the place to fix those rates. We have no evidence upon which they can be fixed. There is a body created by Congress to fix those rates, and I respectfully submit that, if we can make the rate not more than 3 cents, we can make it not more than 1 cent; we can make it not more than ½ cent; we can make it not more than ¼ cent; and when I ask, Is the rate confiscatory on its face?——

Mr. TRAMMELL. Mr. President——

The VICE PRESIDENT. Does the Senator from Maryland yield further to the Senator from Florida?

Mr. TYDINGS. I yield.

Mr. TRAMMELL. The common carrier has its rights in the court. If it can show that the rate is confiscatory, of course, it is set aside; but it has to go into the court for the purpose of establishing that fact. I recall a case which arose in Florida when I was attorney general of the State. There was one railroad that, in spite of the order of the railroad commission, charged a 3½ cent rate for passenger traffic, while all the other railroads in the State were charging only 2¾ cents. As the attorney general of the State, exercising my prerogative to recommend laws, I recommended a law to fix the rate, and the rate was fixed and the railroad reduced its rate according to the statute. It realized that it could not go into court and establish that the rate was confiscatory. If they could establish in court that the rate was confiscatory, it could be set aside; otherwise it would stand. We have a right to adopt a certain policy, and, in pursuance of that policy, I think, under the court decisions, we can fix the rate.

Mr. TYDINGS. May I ask the Senator from Kansas what was the House proposal?

Mr. CAPPER. As the bill passed the House it provided a rate not exceeding 2 cents. The Senate amended the bill by fixing a rate of not more than one-half of the rate of fare charged to adults, which in this instance would be 3¾ cents.

Mr. COPELAND. Based on the price of tokens.

Mr. CAPPER. The fare for adults being 4 tokens for 30 cents. The conference committee agreed on a compromise, which provides that the rate shall not exceed a flat rate of 3 cents. The bill that is now before the Senate meets the approval of the Public Utilities Commission; it has been examined by the corporation counsel, and, so far as I know, it is satisfactory to practically everyone. I hope the Senator from Maryland will not press his objection.

Mr. TYDINGS. If the Senate were to disagree to the conference report, then the procedure would be to send the bill back for further conference. I shall make such a motion, and I hope it will prevail, for the reason that I think the law relative to this matter ought to be examined carefully before we fix any standard fare. All of us want to provide reduced rates for school children, but it would be accomplishing nothing to enact a measure which would be held to be unconstitutional. I do not feel that the conferees have sufficiently gone into this question. I very much doubt the wisdom of fixing rates here on the floor of the Senate. I think it would be better to pass the bill as it came from the Senate committee, and then the Public Utilities Commission could allow a further reduction if conditions should permit; but for the Senate to put in an arbitrary rate without any realization of how it is going to effect rates in general is wrong. We are not in possession of the information necessary to fix the rate.

Mr. CAPPER. The Senator understands that the conference report fixes a rate of not to exceed 3 cents.

Mr. TYDINGS. Yes; but it could just as well fix a rate not to exceed 1 cent. When does the rate fixed become confiscatory? How low can we go before on its face it will be held to be confiscatory? I do not want to defeat this legislation; I should like to see the school children obtain reduced fares. I believe the principle of the bill is sound; it has been tried over and over again; but I call the attention of the Senator from Kansas to the fact that if the 3-cent rate is confiscatory and the courts so hold, no reduced fares will then be granted to the school children of the District.

My reason for asking that the report go back for further conference is in the hope that a provision may there be drafted which will be legal, which will really bring reduced fares to the children as a result of this legislation.

I therefore move, Mr. President, that the report of the conferees be not accepted and that the Senate conferees

be instructed to confer further with the conferees on the part of the House.

The VICE PRESIDENT. The proper motion would be to recommit the conference report with instructions. Is that what the Senator desires?

Mr. TYDINGS. With instructions that the half-fare rate be inserted in lieu of the 3-cent flat rate.

Mr. COPELAND. Let me suggest to the Senator that he move that the report be recommitted and the conferees be instructed to take the legal advice the Senator has in mind, and not to fix now what the rate shall be. In other words, simply move to recommit.

Mr. TYDINGS. I think the suggestion of the Senator from New York is a good one, and I move that the bill be recommitted to the conferees with instructions to ascertain whether or not the 3-cent rate is legal and proper in view of all the circumstances.

Mr. CAPPER. Mr. President, I inquire whether it is proper to instruct the conference committee in the manner suggested by the Senator from Maryland?

The VICE PRESIDENT. The motion is in order at this time, because the House has not as yet acted upon the conference report. The question is on the motion of the Senator from Maryland. [Putting the question.] The noes seem to have it.

Mr. TYDINGS. I ask for a division, Mr. President.

The question being put, on a division, the motion of Mr. TYDINGS was rejected.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. KING. Mr. President, just a word. I regret exceedingly that we have not sufficient information or that the Public Utilities Commission has not sufficient information to warrant a 1-cent or a 2-cent fare for the school children in the District of Columbia. I am very much in favor of a reduced fare for them, and the lower the better. There is a principle involved, though, as I see it, that constrains me briefly to state why I think this bill ought to go back to conference.

Experience has demonstrated the wisdom of setting up public utilities commissions. We have set up the Interstate Commerce Commission for the purpose of passing upon the judicial and quasi-judicial questions which come before it. After years of controversy we created in this District a Public Utilities Commission. I think the members of that commission are men of integrity and of ability and that they command the confidence and esteem of the people of the District. Obviously one of the functions of the Public Utilities Commission is to pass upon questions which deal with public utilities; what would be a fair rate for children and for adults riding upon the street cars; what would be a fair rate for utilities that furnish us water and light and power and heat, and other service which is public in character. If we now are to say to the Public Utilities Commission, "We have created you to determine these questions, but we are going to take those questions out of your hands, we are going, in a legislative way, to declare what the fair rate and what the price of gas and electricity shall be," it does seem to me, Mr. President, that we are nullifying the law under which this instrumentality has been set up and are exercising a function that ought not to be exercised by Congress.

It is not a question, Mr. President, with me as to the lowering of the fares; I am very anxious to have the fares lowered; I want them lowered as far as possible; but the Public Utilities Commission know the condition of the railroads, what would be fair, what would be a confiscatory rate, what would be approximating a confiscatory rate. We may legislate to-day and say that 2 cents would be a fair rate, and the court may declare that to be confiscatory. The Public Utilities Commission's finding upon this question, while not a finality, would be infinitely more persuasive with the courts, because they would have made the investigation, than a determination by a legislative body. So I am merely asking for the maintenance of a principle which underlies the establishment of the Public Utilities Commission in the District of Columbia as well as other such commissions throughout the Nation.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

NAVY DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 16969) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1932, and for other purposes.

The VICE PRESIDENT. The Secretary will state the pending amendment.

The CHIEF CLERK. The pending committee amendment is, on page 47, line 4, after the word "authorized," to strike out "$23,600,000" and to insert "$31,100,000," so as to make the clause read:

> Construction and machinery: On account of hulls and outfits of vessels and machinery of vessels heretofore authorized, $31,100,000, to remain available until expended.

Mr. KING. I desire to ask the Senator from Maine whether or not the House committee considered this item?

Mr. HALE. No, Mr. President; it was not brought before the committee in the other House. The Senate committee has inserted the item and has the estimate from the Budget Bureau for the amount required.

Mr. KING. But the House committee formulated the naval appropriation bill which is before us?

Mr. HALE. Yes; but I will say to the Senator that this matter was not taken up with the House committee for the reason that the department believed that the naval construction bill, which is now before the Senate, would probably become a law before the appropriation bill came up in the Senate, and that then there would be inserted the appropriation for destroyers in the appropriation bill, along with appropriations for the remainder of the building program. The construction bill, however, has not as yet passed the Senate nor has it passed the other House. Therefore the House committee did not take any action in the pending bill as to appropriations covering any of the Navy building programs.

Mr. KING. Mr. President, the Senator from Wisconsin [Mr. LA FOLLETTE] yesterday read a statement made by Mr. FRENCH, who is a member of the Appropriations Committee of the other House, and who perhaps is better informed upon naval matters than is any man in either branch of Congress unless it be the distinguished Senator from Maine. My recollection of that statement is that it was to the effect that the matter had been considered and that he was averse to this proposition.

Mr. HALE. No; I think the Senator is mistaken about that. The department did not put it up to the Appropriations Committee of the House.

Mr. LA FOLLETTE. Mr. President, will the Senator yield to me?

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Wisconsin?

Mr. KING. I yield.

Mr. LA FOLLETTE. The statement made by Mr. FRENCH was that he was opposed to considering any part of the so-called treaty navy in the appropriation bill. He took the position that in order for the Congress intelligently to pass upon that question, it must have before it the complete program. He also stated that in so far as the committee of the House was concerned, the Navy Department had not asked to have these destroyers provided for in the pending appropriation bill.

Mr. HALE. That is quite right.

Mr. KING. May I ask the Senator whether, if this appropriation is made, that means that the so-called naval construction bill to which he has referred will be pressed; or will it be abandoned for the rest of the session?

Mr. HALE. Mr. President, I am not prepared to make any statement about that. If I thought that bill could possibly go through both branches of Congress and that we could appropriate at this session for the construction of the vessels authorized in it, I most certainly should insist upon taking it up at the earliest possible moment; but I think at this late stage of the program—and I have been so advised

by the leaders in this body—there is very little chance, or perhaps no chance, of being able to get the bill through Congress and to get appropriations for the construction under the bill at this session of Congress.

Mr. KING. Mr. President, I assume, then, from the statement made by the Senator, that no effort will be made to bring up for consideration the construction bill to which I referred and to which he has referred.

This bill commits the Government to an outlay of over $50,000,000. This, of course, is merely the beginning of the appropriation, seven to eight or nine million dollars, to be followed by deficiency bills or by direct appropriations as fast as those boats are constructed.

The Senator apparently is not satisfied with an appropriation bill for the Navy of approximately $450,000,000 when we are a peaceful Nation, have no foe at our gates, and no danger whatever from invasion by any military power or any power. He is not satisfied with that appropriation, together with the $30,000,000 which we appropriated a few days ago for the modernization of three battleships. He is not satisfied with the appropriation of more than $400,000,000 for the Army, so that when we shall have adjourned we will have appropriated for military purposes for the next fiscal year more than $800,000,000—more than any country, in any age of the world, ever appropriated in any one year when at peace.

Germany, when she was preparing, as many believe, to conquer the world—or, at least, to assert her hegemony in Europe—never asked for more than $400,000,000 in any one year for her army and for her navy; and yet a Christian Nation—the leading Nation educationally, culturally, spiritually, morally, as we assert, in all the world—in a day of peace, with no foe at our gates, demands for the next year $800,000,000.

Mr. HALE. Mr. President, the Senator from Utah is asking whether I am satisfied with the provisions of this bill. Let me say to the Senator that I am not at all satisfied with the provisions of this bill, and I am not at all satisfied with any situation where we do not have an adequate Navy for our national defense; and that I conceive to be the situation at the present time. I must, however, make the best of the present situation.

Mr. KING. Mr. President, will the Senator yield?

Mr. HALE. I yield.

Mr. KING. The Senator would feel better satisfied, then, if the amount were a billion dollars instead of approximately $800,000,000?

Mr. HALE. Mr. President, the Senator from Utah is mixing up construction with maintenance of the Navy. The Senator will recall that when the London treaty was before the Senate last year it was constantly stated on the floor of the Senate that it would cost about $1,000,000,000 in construction to bring us up to a navy of treaty strength; and that billion dollars, of course, was to include not only new vessels but the replacement of old, antiquated vessels, such as our destroyers for the present Navy, which of necessity must at some time be replaced.

Mr. KING. Mr. President, will the Senator yield further?

Mr. HALE. I yield.

Mr. KING. Then, as I understand the Senator, he would be far better satisfied if we were appropriating a billion dollars instead of $800,000,000?

Mr. HALE. Mr. President, nobody has ever considered appropriating a billion dollars in one year for the Navy. A long program will be necessary before we can spend the billion dollars to which the Senator refers. Nobody ever thought of appropriating it all in one year or in two years or three years.

Mr. KING. When Germany was spending the amount that I referred to a moment ago, between three and four hundred million dollars, it was not all for new construction. It included maintenance as well as new construction. The Senator, however, would like a billion dollars for new construction and for the maintenance of the Army and Navy for the next fiscal year.

Mr. HALE. I have not so stated at all, Mr. President. We have not gone into details of the different appropriations I should want for construction.

Mr. KING. That is the only deduction to be drawn from what the Senator has said.

Mr. HALE. That is a matter that takes a long time to discuss and explain. We have not gone into anything of that sort.

Mr. SWANSON. Mr. President, since the Senator from Utah sees fit to define the position of other people, let us see the position that he occupies in this controversy.

What does it mean if we do not appropriate for these 11 destroyers the money involved? There is not even a remote chance, I think, of getting through the bill in which the department recommended the authorization of $72,000,000; and that is only an authorization, of which only four or five or six or seven or eight millions would be spent additionally this year to carry out the program necessary to reach equality with Great Britain, and a ratio of 5 to 3 with Japan, under the London treaty.

I am satisfied that there is no chance of getting that measure through. Nothing is to be done to modernize the three battleships. The House has refused to grant a rule for the consideration of that bill, though the Senate, by a vote of 73 to 12, wanted to modernize the three battleships; and that proposal was fought here by the same people who are fighting this one. They wanted our sailors to go out on battleships which can shoot only about one-third as far as the opposing ships can shoot, if a conflict should come, without gun-deck protection—to send them out in ships that would put them at every disadvantage in the world in any conflict which might come—which I was unwilling to do.

If you are not going to modernize these vessels, destroy them and let them retire, because I think it is an outrage to send sailors out on ships that can not shoot as far as those that may be opposed to them and that have gun-deck protection.

What does this amendment mean? That the Senate will send to the House, for consideration in conference, a proposal to increase the Navy by 11 destroyers—11 destroyers in our naval program to equalize us with Great Britain, and put us on a ratio of 5 to 3 with Japan—and that is antagonized here.

What does that mean? We might just as well face the issue. We can not shirk it. It means that those who antagonize this proposal do not want to pay one cent or nickel for increase of the American Navy. You can not shirk it. It means, if this goes through—and let the country understand it—that Congress will adjourn without a single authorization or appropriation for the construction of anything that is not already begun.

If Senators want to do that; if the American people do not want to pay a cent or a nickel to increase their Navy in comparison to the navies of others, vote against this proposition. That is what it means. There is no use shirking it. If you do not want to do that, do not appropriate for it.

I think this is a very small beginning on the program to have a navy equal to that of Great Britain, and on a ratio of 5 to 3 with the navy of Japan. I am not willing to let the products of the West, the products of the South, the cotton and the commerce of the United States have access to the markets of the world only by the consent of superior naval powers. I think this Nation is entitled to have its products sold in foreign markets without asking the consent of Great Britain, Japan, or any other nation; and the only way we can have that right is to have a Navy sufficient to protect our commerce.

I never shirk an issue. If you do not want to vote one cent, nickel, or dime to increase the Navy this year—and the only question involved would be the modernization of the battleships, which looks very difficult now, from the way the House has acted—the issue is plain. Beat the authorization for these 11 destroyers, and you have accomplished that. You have carried out your purpose.

We put this amendment in the bill because we knew this was the only remote chance we had of getting some money

to start the increase of the American Navy, according to the London compact. That is the issue. I, for one, think we have not gone far enough. It seems to me the Senate, by an overwhelming vote, ought to show that America has not abandoned an increase of the Navy, and does not intend to have her Navy placed second to that of Japan, or third or fourth rate compared to that of Great Britain, and finally have it surpassed by the navies of Italy and France.

That is the issue. I know that some gentlemen are willing to trust to peace and diplomacy and the Kellogg pact, and have no arms. If you are not going to have an adequate navy, have none. It is a useless expense. You can not demand your rights on the sea without an adequate navy. Do you want to trust to diplomacy? Do you want to trust to talk? If you want to trust to those things, vote against this proposition, and the issue is clear.

If you want an adequate navy to protect the wheat fields of Kansas and let their products have access to the markets of the world, and do the same thing for the cotton fields of the South and the products of America, and not make them dependent on talk and diplomacy or the good will of any nation in the world, let us go forward with our program contained in the London treaty.

If this were not a short session of Congress, if it were a long session, I, for one, would not stop with this small effort, feeble as it is, to start in a program to give us an adequate Navy to protect our rights.

I will be frank with you. If you do not want to build a single ship, if you do not want to make a single appropriation to carry out the London pact, now is the time to destroy it, and let them know that we are not going to do it.

Mr. COPELAND. Mr. President, I hope I correctly understood the Senator from Maine to the effect that he is not going to oppose the bringing up of the construction bill; but, on the other hand, that if the opportunity occurs he will aid us in bringing it forward. That, I am sure, is his attitude regarding this matter.

Mr. HALE. Mr. President, I said that I did not think there was any possibility of getting the construction bill through the Senate, through the House, and then getting appropriations to take care of the construction authorized in the bill at this session of Congress.

Mr. COPELAND. No; but, if I understand the Senator, he is going to do the best he can to accomplish the thing he has in mind.

Mr. HALE. I doubt, Mr. President, if I shall follow it up further on the floor of the Senate. I doubt if we could get anywhere by doing that.

Mr. COPELAND. I hope the Senator is not putting himself in the position of opposing bringing up the measure.

Mr. HALE. Oh, certainly not. I was simply talking about my own action on the matter.

Mr. COPELAND. I say that because there is one phase of this question which we must not overlook. I doubt if there are 20 Senators who oppose the development of the Navy; and we forget all the time about the unemployment situation in the country. If there ever was a time when we ought to put our shipyards to work, it is now; and I think it would be a calamity for us to adjourn this Congress without going just as far as we expect to go within the next two or three years in the development of the Navy.

Mr. HALE. Mr. President, the Senator does not have to talk to me about the advantages of naval construction. I have been in favor of building up the Navy ever since I have been in the Senate, and I am now. I am simply telling the Senator the existing conditions in the Congress. I would certainly do everything in my power to get the bill through if I thought it could be gotten through at this session of Congress.

Mr. COPELAND. I am trying to give the Senator a hypodermic injection, so that he will be stimulated to make an effort to put forward this building program.

Mr. HALE. Mr. President, I have been waiting for a month, ever since the bill was reported, to get the bill up, and I have tried to do so in every way in my power.

The VICE PRESIDENT. The question is on agreeing to the amendment on page 47, line 4.

Mr. LA FOLLETTE. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. McKELLAR (when his name was called). On this vote I have a pair with the junior Senator from Delaware [Mr. TOWNSEND]. I am informed, however, that he would vote as I expect to vote on this matter, so I shall vote. I vote "yea."

Mr. SWANSON (when his name was called). I have a general pair with the junior Senator from Colorado [Mr. WATERMAN]. I understand he would vote as I intend to vote. I vote "yea."

The roll call was concluded.

Mr. GILLETT. I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS], but I am informed that he would vote as I expect to vote, and therefore I am at liberty to vote. I vote "yea."

Mr. BINGHAM. I have a general pair with the junior Senator from Virginia [Mr. GLASS]. I am informed that he would vote as I intend to vote, and therefore I am at liberty to vote. I vote "yea."

Mr. HASTINGS (after having voted in the affirmative). I have a pair with the senior Senator from Mississippi [Mr. HARRISON]. I understand that if present he would vote as I have voted, and therefore I allow my vote to stand.

Mr. TYDINGS. On this vote I have a pair with the senior Senator from Rhode Island [Mr. METCALF]. I understand that if he were present he would vote as I shall vote. Being at liberty to vote, I vote "yea."

Mr. GLENN. I desire to announce that my colleague [Mr. DENEEN] is confined to his home by illness.

Mr. GOULD. I have a pair with the junior Senator from South Carolina [Mr. BLEASE]. I transfer that pair to the junior Senator from Colorado [Mr. WATERMAN] and vote "yea."

Mr. SHEPPARD. I desire to announce that the Senator from Arkansas [Mr. CARAWAY], the Senator from Alabama [Mr. BLACK], the Senator from Tennessee [Mr. BROCK], the Senator from Missouri [Mr. HAWES], and the Senator from North Carolina [Mr. MORRISON] are absent on official business.

Mr. NORBECK. I wish to announce the unavoidable absence of my colleague [Mr. McMASTER]. If he were present, he would vote "nay."

Mr. HATFIELD (after having voted in the affirmative). I have a general pair with the junior Senator from North Carolina [Mr. MORRISON], but I am informed that he would vote as I have voted, and therefore I allow my vote to stand.

Mr. FESS. I desire to announce the following general pairs:

The Senator from New Jersey [Mr. KEAN] with the Senator from Washington [Mr. DILL];

The Senator from Illinois [Mr. DENEEN] with the Senator from Oklahoma [Mr. THOMAS]; and

The Senator from Oklahoma [Mr. PINE] with the Senator from Montana [Mr. WALSH].

The result was announced—yeas 63, nays 10, as follows:

YEAS—63

Ashurst	Glenn	McGill	Shipstead
Barkley	Goff	McKellar	Shortridge
Bingham	Goldsborough	McNary	Smith
Bratton	Gould	Morrow	Smoot
Broussard	Hale	Moses	Steiwer
Bulkley	Harris	Oddie	Swanson
Capper	Hastings	Partridge	Thomas, Idaho
Carey	Hatfield	Patterson	Trammell
Connally	Hayden	Phipps	Tydings
Copeland	Hebert	Pittman	Vandenberg
Couzens	Heflin	Ransdell	Wagner
Dale	Howell	Reed	Walcott
Davis	Johnson	Robinson, Ark.	Walsh, Mass.
Fess	Jones	Robinson, Ind.	Watson
Fletcher	Kendrick	Schall	Williamson
Gillett	Keyes	Sheppard	

NAYS—10

Blaine	Frazier	Norbeck	Wheeler
Borah	King	Norris	
Brookhart	La Follette	Nye	

NOT VOTING—23

Black	Dill	McMaster	Stephens
Blease	George	Metcalf	Thomas, Okla.
Brock	Glass	Morrison	Townsend
Caraway	Harrison	Pine	Walsh, Mont.
Cutting	Hawes	Simmons	Waterman
Deneen	Kean	Steck	

So the amendment was agreed to.

The next amendment was, on page 47, line 17, before the word "to," to strike out "$4,700,000" and insert "$7,200,000," so as to read:

Armor, armament, and ammunition: Toward the armor, armament, and ammunition for vessels heretofore authorized, $7,200,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, on page 47, after line 22, to strike out—

That in the expenditure of appropriations in this act the Secretary of the Navy shall, unless in his discretion the interest of the Government will not permit, purchase for use, or contract for the use of, within the limits of the United States only articles of the growth, production, or manufacture of the United States, notwithstanding the provisions of any law to the contrary.

And in lieu thereof to insert:

That in the expenditure of appropriations in this act the Secretary of the Navy shall, unless in his discretion the interest of the Government will not permit, purchase or contract for, within the limits of the United States, only articles of the growth, production, or manufacture of the United States, notwithstanding that such articles of the growth, production, or manufacture of the United States may cost more, if such excess of cost be not unreasonable.

The amendment was agreed to.

The VICE PRESIDENT. That completes the amendments, except one passed over, which will be stated.

The CHIEF CLERK. On page 29 the committee proposes to strike out lines 3 to 6, inclusive, as follows:

Provided further, That no part of this appropriation shall be available for the purchase of or payment for any kind of fuel oil of foreign production, except by or for vessels in a foreign port.

The amendment was agreed to.

Mr. HALE. Mr. President, there are some amendments I have been authorized to offer on behalf of the committee.

The VICE PRESIDENT. The clerk will state the first amendment submitted by the Senator from Maine.

The CHIEF CLERK. On page 25, line 24, after the word "law," insert:

Provided further, That the President of the United States, by and with the advice and consent of the Senate, is hereby authorized to appoint as ensigns in the line of the Navy all midshipmen who graduate from the Naval Academy in the year 1931; but if the number so commissioned should exceed the total number of officers of the line of the Navy authorized by existing law, the excess shall be carried in the grades of lieutenant (junior grade) or ensign.

Mr. LA FOLLETTE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. LA FOLLETTE. Is not that amendment subject to a point of order?

The VICE PRESIDENT. The Chair does not like to pass upon such a question unless the point is made.

Mr. LA FOLLETTE. I make the point of order that it is new legislation on an appropriation bill.

Mr. HALE. Mr. President, will the Senator withhold the point of order?

Mr. LA FOLLETTE. I withhold the point until the Senator explains the amendment.

Mr. HALE. Mr. President, the purpose of this amendment is to make it possible to commission all members of the class of 1931 who graduate from the Naval Academy.

Unless this legislation is adopted about 174 of these midshipmen may be denied commissions this year, depending upon a decision of the Attorney General of the United States as to what constitutes the total authorized enlisted strength of the Navy, on which the number of officers of the Navy is based.

Under existing law this total authorized strength has always heretofore been based on 131,485 men of the Navy, plus 6,000 apprentice seamen. In 1918 there were temporarily added to the enlisted men of the Navy 14,000 men for trade schools.

No legislation since that time has been enacted changing the law providing for these men, and the question has come up and has not yet been decided by the Attorney General as to whether these 14,000 men for the trade schools should not be added to the 137,000 already included in the authorized enlisted strength.

Should the Attorney General decide that the trade-school men ought to be included it will increase the authorized enlisted strength by 14,000 men, which will allow for 560 more officers. In such a case there would be ample vacancies to take care of all of the midshipmen in the class of 1931 at the Naval Academy, and of subsequent classes for more than 10 years. The total increase thus provided would not be achieved for a long period of years, and the yearly increase would be a slow and gradual one. There is a very considerable feeling in Congress, and in the Navy Department, that these men, who have been trained by the Government at an expense of about $13,000 each and who have been led to expect a naval career, should not be turned back to civil life through no fault of their own.

Should the Attorney General rule against the inclusion of the 14,000 trade-school men in the authorized enlisted strength, such strength will remain at 137,485, which will provide, under the law, for 5,499 officers, plus some 60 officers known as "extra numbers," a total of 5,559. This will mean that 174 members of this year's graduating class at Annapolis will not receive commissions as ensigns in the Navy.

The proposition to commission these ensigns has been submitted to the Bureau of the Budget and recommended by it in a legislative bill, H. R. 14991, which is now before the House of Representatives. However, it is questionable whether it will be possible to secure action on said bill prior to the close of the session, and if these men are to be saved for the service the committee regards it as necessary to pass this legislation.

Mr. LA FOLLETTE. Mr. President, will the Senator from Maine yield for a question?

Mr. HALE. I yield.

Mr. LA FOLLETTE. Has this amendment any relation to the increase in the number of men to be appointed each year to the Naval Academy?

Mr. HALE. No; that is provided for in the bill specifically. The committee recommended an amendment to raise the number who might be appointed by each Senator and Representative from three to four, as provided in the House bill. This amendment relates to the men who are already in the academy.

Mr. LA FOLLETTE. Mr. President, I wish to ask the Senator from Maine a little further about the matter. The Senator makes the definite statement that this amendment has nothing to do with and does not facilitate the maintenance of an excessive officer personnel which he is providing in the bill.

Mr. HALE. This will increase the officer personnel without any question. There is a provision in the amendment that these men shall not be used in the future for computation purposes for the higher ranks of officers in the Navy. They are simply to be counted in the grades of ensign and lieutenant until they come within the authorized number permitted by law, when they would have their regular chance for promotion.

Mr. LA FOLLETTE. The point is this: I am opposed to the provision in the bill which the Senate has already approved that permits an increase over the House bill in the officer personnel by allowing four appointments instead of three to Annapolis. I would not want to do an injustice to the men who are to graduate in 1931. On the other hand, I do not want to lose any right which I have under the rule to prevent there being incorporated in the bill legislation which facilitates the maintenance of an excessive officer personnel in the future. If the Senator from Maine can assure me positively that this amendment, which he has offered ostensibly to relieve the situation concerning the graduating class of 1931, does not assist in creating a

situation which permits of an increase in the personnel in the future as provided in the bill, I would be willing to withhold the point of order.

Mr. HALE. I can not give any such assurance to the Senator. The addition of these men undoubtedly would increase the number of officers later on in the Navy. I hoped that the Senator would not make the point of order.

Mr. LA FOLLETTE. I make the point of order reluctantly, in so far as it does any injustice to the graduating class of 1931 from Annapolis, but I am opposed, as I find that Members of the House who are much more familiar with the naval program than I am are opposed, to maintenance of an excessive officer personnel by permitting four appointments instead of three appointments to be made each year by Senators and Representatives to Annapolis. In view of the Senator's statement that this amendment facilitates that increase in officer personnel, I insist upon the point of order.

Mr. SWANSON. Mr. President, will the Senator from Wisconsin yield?

Mr. LA FOLLETTE. The Senator from Maine has the floor.

Mr. HALE. I yield to the Senator from Virginia.

Mr. SWANSON. First, as to the point of order. This amendment is directed by a standing committee of the Senate.

Mr. LA FOLLETTE. I want to be heard on that point at a later time.

Mr. SWANSON. I want to say to the Senator from Wisconsin that we have a certain authorized number of officers that can not be increased, being a certain percentage of the personnel of the Navy. When these young men graduate if their appointment causes an excess above the number authorized, they will be dismissed out of the Navy. They can not be taken into the Navy, and that would terminate their naval career. All the provision does is to provide as to those who graduate this year; that if the number shall exceed the authorized officer personnel of the Navy, they shall be carried as additional numbers in the lowest grades. It does not increase the number of the officer personnel except to the extent that the class of 1931 may increase it in that way.

That is a fair statement of it. It simply authorizes that much of an increase. If we graduate 176 cadets this year and the authorized strength of the Navy will not permit the admission of more than 150, then it is provided that the surplus number of 26 cadets may be taken into the Navy; that is, the authorized personnel of officers which is limited by the act of 1916, providing that there shall be a certain percentage of officers according to the enlisted personnel may be increased in order to take into the Navy the members of this graduating class. It increases the authorized strength of the officer personnel to the extent that this graduating class may exceed the number of authorized officers under the law. There may be 30 or 40 graduates involved. These men may not otherwise be taken into the Navy.

This provision will apply only to the 1931 class. What we shall do next year or the year following that will have to be determined at that time. My idea is that we ought to take into the Navy in the future the excess number graduating when they exceed the authorized strength. We expect to graduate 200 this year. If the number of graduates exceeds the authorized personnel of officers in the Navy, then that excess number should be taken into the Navy as provided in this amendment. It is only applicable to this year. Of course, they would stay in the Navy, but it only increases the officer personnel in this way this year. Next year we would have to have another authorization to take in the excess number graduating in that class if there should be any such.

Mr. LA FOLLETTE. Mr. President, I have listened to the Senator from Maine and the Senator from Virginia and I am somewhat confused about the situation. If the Senator from Maine, who has the floor, will yield, I should like to ask a question of the Senator from Virginia.

Mr. HALE. Certainly; I yield.

Mr. LA FOLLETTE. As I understand the proposition, it is something like this: The committee proposes to increase the officer personnel of the Navy by permitting four appointments to be made to Annapolis each year by Senators and Representatives instead of the three which are provided in the House bill.

Mr. SWANSON. I think that is in a different amendment.

Mr. LA FOLLETTE. Of course it is; but the question I am trying to get answered is this: If this amendment offered by the Senator from Maine is agreed to, while ostensibly it is designed to take care of those who are graduating from Annapolis this year, yet, as I understood his answer to my question, the adoption of the amendment assists in creating a situation whereby the additional men provided for in this bill for the officer personnel will be taken care of in the future.

Mr. SWANSON. I do not think they will be taken care of in the future except by future legislation.

Mr. HALE. They would be in the Navy, of course.

Mr. SWANSON. Mr. President, I would like to have the amendment read again.

The VICE PRESIDENT. Let the amendment be read again.

The CHIEF CLERK. On page 25, line 24, after the word "law," insert the following:

Provided, further, That the President of the United States, by and with the advice and consent of the Senate, is hereby authorized to appoint as ensigns in the line of the Navy all midshipmen who graduate from the Naval Academy in the year 1931, but if the number so commissioned should exceed the total number of officers of the line of the Navy authorized by existing law, the excess shall be carried in the grades of lieutenant (junior grade) or ensign.

Mr. SWANSON. In other words, if there were 36 excess over the present authorized officer personnel of the Navy, those 36 men would be commissioned by the President as officers of the Navy and then they would continue in the Navy. To that extent it increases the personnel. But this does not affect next year or the year after that. If we continue to have graduates in excess of the authorized number, we will have to fix a basis upon which they can be admitted either by increasing the authorized officer personnel of the Navy or else by making some provision whereby the excess number may be taken into the Navy after graduation. I have an idea that the best way to handle it would be to confine it to the first 10 or first 5 on the list so we would not lose the most valuable graduates in the class. The amendment only applies to this year. We recognize that something must be done to take care of the class graduating this year or else they will all be dismissed from the Navy. Next year the same problem may be before us, but we hope by next year to fix a basis upon which certain of the graduates can be included in the Navy, but not the entire class.

Mr. LA FOLLETTE. But it is proposed here to increase the officer personnel by increasing the number of men to be appointed annually, and therefore the number who will graduate, so that this is just the first step in an attempt to accommodate the increased officer personnel.

Mr. SWANSON. The House only authorized three appointments.

Mr. LA FOLLETTE. That is what we have now, is it not?

Mr. SWANSON. No. The House reduced the number from four to three, and the Senate committee thought we ought to have four. But that is a different proposition. The graduating class of 1931 will be dismissed and will not be in the Navy unless we adopt this amendment.

Mr. LA FOLLETTE. It is true there are two different proposals, but the same fundamental question is involved. Under the plan for the appointment of four to Annapolis, which the Senator says we now have, and I accept that correction, we are now about to graduate more men in the 1931 class than can be taken into the Navy under existing law. The House has reduced that number in order to remedy this very situation.

Mr. SWANSON. I am satisfied that if we continue building under the naval program as outlined in the London con-

ference we will not have any excess officer personnel. We have gotten rid of only three battleships under the London conference, and, consequently, until the cruisers we have authorized and now building are completed there might be an excess of officers. But the class of 1931 ought not to be treated in this way. I do not think it is just. All we ask the Senate to do is to permit this class to be taken care of. That is all the amendment does. The question is, Shall we take care of the class of 1931 or let its members be dismissed?

Mr. LA FOLLETTE. May I ask the Senator from Maine whether the matter was considered by the House committee?

Mr. HALE. The House legislative committee has a bill——

Mr. LA FOLLETTE. I mean the House Appropriations Committee. When the bill was originally in the House was the matter brought to the attention of the House Committee?

Mr. HALE. I am not aware that it was. I know there is a legislative bill before the Naval Legislative Committee of the House authorizing an increase, and that has been reported out favorably by the committee.

The VICE PRESIDENT. The Chair is ready to rule if the Senator insists on his point of order.

Mr. LA FOLLETTE. I withdraw the point of order until the matter is straightened out.

Mr. HALE. If the Attorney General makes a favorable ruling on the 14,000 trade-school men, those men will be able to stay in the Navy. There is ample opportunity for them to do it and there will be plenty of vacancies in the Navy to take care of them. But it is not yet known what the decision will be. If he decides against counting the 14,000 trade-school men and the number of men goes down to 5,559, as at present fixed, while these men this year will be over the authorized limits of the officer personnel, yet in 1935 even with these men counted in there is going to be such an attrition in the Navy on account of the going out of the service of a lot of men who were given commissions from civil life after the war and from warrant officers and from the enlisted men who have been given commissions, that in 1935 we shall have less than the authorized number of officers and less than we have at the present time. Really it is merely tiding them over until a few years from now, when they will come in or will be allowed to be in in the regular course of procedure. The committee put this provision in the bill because they thought it was extremely important that these men should not be compelled to give up their career through no fault of their own.

Mr. LA FOLLETTE. Mr. President, as I stated when I made the point of order a few moments ago, I would not want to do an injustice to these young men who have spent four years in the academy at Annapolis. Since the Senator from Virginia and the Senator from Maine have convinced me that this has nothing to do with the fundamental question of increasing the officer personnel of the Navy, I shall not insist upon my point of order.

The VICE PRESIDENT. The point of order is withdrawn. The question is on agreeing to the amendment submitted by the Senator from Maine in behalf of the committee.

The amendment was agreed to.

Mr. HALE. I have another amendment which I have been authorized by the committee to offer.

SURVEYS BY WICKERSHAM COMMISSION

Mr. TYDINGS. Before the Senator offers that amendment, may I ask for the consideration of a resolution, about which I hope there will be no debate?

Mr. HALE. Will the Senator not let the committee amendments to the appropriation bill be completed?

Mr. TYDINGS. I am in a position where I am forced to leave town in a few moments. I have waited a long while to present the resolution, and I would appreciate it if the Senator would let me have the resolution considered.

Mr. HALE. If it will not take any time I will yield to the Senator.

Mr. TYDINGS. I hope it will not consume more than a few minutes.

Mr. HALE. If it does take any time the Senator will withdraw his request, as I understand?

Mr. TYDINGS. I do not think it will consume the rest of the afternoon, but I should like a chance to explain it.

Mr. HALE. I think we ought to go on with the naval appropriation bill.

Mr. TYDINGS. If the Senator wants me to discuss the whole Wickersham report, I will be glad to do so, but I think it would save time if the resolution could be considered.

Mr. HALE. Can not the Senator wait? We are nearly through with the pending bill.

Mr. TYDINGS. As I have said, I am forced to leave the city shortly.

Mr. HALE. Very well, but I shall object if it shall take any time to discuss the resolution.

The PRESIDING OFFICER (Mr. FESS in the chair). In the absence of objection, the clerk will read the resolution.

The Chief Clerk read the resolution (S. Res. 463), as follows:

Whereas the Commission on Law Enforcement and Observance, in response to a request from the Senate, has submitted certain evidence and other documents upon which it based its conclusions and recommendations as to enforcement and enforceability of the prohibition laws; and

Whereas the documents submitted relate to only 32 States, with no mention made of 16 other States, including several of the most populous industrial States; and

Whereas there is no contention made that everything which the commission may have learned with respect to conditions in the 16 States should be considered confidential: Now, therefore, be it

Resolved, That the Commission on Law Enforcement and Observance be, and it is hereby, requested to transmit to the Senate its reasons for withholding any information as to prohibition enforcement or enforceability in the 16 States and the District of Columbia, and, in addition thereto, any information with respect to these 16 States and the District of Columbia as may, upon further consideration by the commission, be submitted to the Senate in conformity with the terms of the previous request of the Senate.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

Mr. WATSON. Mr. President, I think I shall have to ask that the resolution go over.

Mr. TYDINGS. Will not the Senator from Indiana withhold his objection for just a moment?

Mr. WATSON. Very well.

Mr. TYDINGS. I should like to make a brief explanation. The Wickersham Commission, in response to the resolution adopted by the Senate, sent up a great deal of material which it had gathered, and that material is now in the Committee on Printing. However, it is disclosed that the surveys as to only 32 States were considered by the commission and that as to 16 States there was no survey made, or for some reason the surveys have not come to the Senate. It so happens that of the 16 States not included in the survey sent to the Senate there are some of the most populous States of the Union; for example, the State of New York. I think the facts ought to be before us as to how the prohibition law is obeyed and observed in that great State of more than 10,000,000 people.

The purpose of my resolution is to ask the commission if they will not either furnish us the surveys for the 16 States which have been omitted or give us their reasons for not having done so. If they obtained these surveys under a pledge of secrecy, they should not send them to us; but why 16 States are omitted and the surveys as to 32 other States are presented, I do not know. Obviously there must be some reason.

My resolution simply asks the commission either to send to us the surveys for the other 16 States or to tell us the reason why it is impossible to send them.

We have expended half a million dollars to acquire this information. Do we want that money expended merely to educate the 11 men on the commission or should the Senate, which in the last analysis must pass remedial legislation, have the information, the evidence, the facts so that it can act intelligently? I feel that the commission gathered facts so that we might upon those facts base suitable legislation; and all my resolution proposes to do, in line with the other resolution which the Senate adopted some days ago, is to

request the commission to send us the other bits of information pertaining to the 16 States or to tell us why it is not able to do so.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. SWANSON. I have no objection to the pending bill being temporarily laid aside in order to consider the resolution, and if it takes much time we can object to further consideration.

Mr. TYDINGS. I hope it will not take any further time.

Mr. SWANSON. Then, the unfinished business can be temporarily laid aside.

Mr. HALE. I have already announced that if there is going to be any discussion, I would call for the regular order.

The PRESIDING OFFICER. The Chair will state that if the resolution be considered by unanimous consent it will not displace the unfinished business. Is there objection to the consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

The preamble was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 506. An act for the relief of Patrick P. Riley;

H. R. 16415. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1932, and for other purposes;

H. R. 16738. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1932, and for other purposes; and

S. 5458. An act authorizing the State of Louisiana and the State of Texas to construct, maintain, and operate a free highway bridge across the Sabine River where Louisiana Highway No. 7 meets Texas Highway No. 87.

REPORT OF THE PENSIONS COMMITTEE—JESSIE R. GREENE

Mr. ROBINSON of Indiana, from the Committee on Pensions, to which was referred the bill (S. 6225) granting an increase of pension to Jessie R. Greene, reported it without amendment.

NAVAL APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 16969) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1932, and for other purposes.

Mr. HALE. I offer the amendment which I send to the desk, having been authorized by the committee to submit it.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 25, line 24, after the word "law," it is proposed to insert the following:

Provided further, That any officer, other than commissioned warrant or warrant officers, commissioned in the line of the Navy from sources other than the Naval Academy, may, upon his own application, in the discretion of the President, be retired from active service and placed upon the retired list with retired pay at the rate of 2½ per cent of his active-duty pay multiplied by the number of years of service for which entitled to credit in computation of his pay on the active list, not to exceed a total of 75 per cent of said active-duty pay.

Mr. LA FOLLETTE. Mr. President, is the Senator from Maine going to make an explanation of the amendment?

Mr. HALE. Mr. President, the purpose of this amendment, which I have also been instructed by the committee to offer on the floor, is to provide fair treatment to certain former commissioned warrant, warrant officers, and enlisted men of the Navy, and reserve officers who, shortly after the close of the war, were given line commissions in the Navy.

I have heretofore referred to these officers this afternoon.

There are about 628 of these men now in the service, none of whom have as yet risen above the rank of lieutenant. About 1,000 of them were men appointed shortly after the war, but attrition has now brought down the number to 628. These men will shortly come up for promotion and due to their lack of basic naval education it is estimated by the department that not more than 25 per cent of these men will make the grade for promotion. In that event those who were formerly of commissioned warrant and warrant rank will revert to their former status, and the enlisted men and reserve officers will go out of the service with one year's pay. This is a very considerable hardship to these men who have served through the war and since, and the department feels that they are entitled to relief.

This provision is analogous to the present practice in the Army, in that the Army provides—and I think the Senator from Pennsylvania will confirm this statement—that officers placed in class B shall be retired at a graded retired pay equal to 2½ per cent for each year of service, the same provisions that are included in this amendment for the Navy.

The committee feels that this legislation is only a matter of fairness to these men.

Of course, this is also legislation, but it is the only way by which provision can be made to take care of these men at the present time.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Maine on behalf of the committee.

The amendment was agreed to.

Mr. HALE. I offer another amendment which I have been authorized to offer by the committee.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 49, in line 19, after the word "plant," it is proposed to insert the following:

; and that no part of the moneys herein appropriated for the Naval Establishment or herein made available therefor shall be used or expended under contracts hereafter made for the repair, purchase, or acquirement, by or from any private contractor, of any naval vessel, machinery, article or articles that at the time of the proposed repair, purchase, or acquirement can be repaired, manufactured, or produced in each or any of the Government navy yards or arsenals of the United States, when time and facilities permit, and when, in the judgment of the Secretary of the Navy, such repair, purchase, acquirement, or production would not involve an appreciable increase in cost to the Government: *Provided*, That nothing herein shall be construed as altering or repealing the proviso contained in section 1 of the act to authorize the construction of certain naval vessels, approved February 13, 1929, which provides that the first and each succeeding alternate cruiser upon which work is undertaken, together with the main engines, armor, and armament, shall be constructed or manufactured in the Government navy yards, naval gun factories, naval ordnance plants, or arsenals of the United States, except such material or parts as are not customarily manufactured in such Government plants.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Maine on behalf of the committee.

Mr. HALE. I will say that this is the regular labor clause that has been carried in the appropriation bills for the last half dozen years.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDENT pro tempore. The bill is on its second reading and is open to amendment.

Mr. LA FOLLETTE. I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The Chief Clerk. On page 49, after line 19, it is proposed to insert the following:

The scale of wages established January 1, 1929, by the Navy Department for civil employees of Groups I, II, and III (laborer, helper, and mechanical service) shall not be reduced, nor shall the proportion of such employees in the maximum rate at the several navy yards be less than the proportion of such employees in the maximum rate on January 1, 1929, nor shall the proportion of workmen employed in the minimum rate be greater than obtained on that date. The pay of employees at the arsenals and Coast Guard stations shall correspond to the average pay received by workmen of corresponding occupations and trades, as hereby made effective for the Boston, New York, Philadelphia, Washington, Norfolk, Mare Island, and Puget Sound Navy Yards.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Wisconsin.

Mr. LA FOLLETTE. Mr. President, this amendment merely seeks to carry out the policy that wages shall not be reduced on Government work. It is in harmony with the bill which has passed the Senate, and is now awaiting action in the House, concerning contracts for public buildings.

While the amendment is subject to a point of order, it being general legislation, I trust that no one will make the point of order. In view of the situation throughout the country, the Government should maintain its wage standards as an example to private industry.

Mr. WATSON. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield to the Senator from Indiana.

Mr. WATSON. Has the matter been submitted to the Navy Department?

Mr. LA FOLLETTE. No, Mr. President; I will say to the Senator from Indiana that the amendment has not been submitted to the Navy Department. The situation was brought to my attention only to-day, and I have had the amendment prepared by the legislative drafting service. If it shall be enacted into law, the amendment will maintain the prevailing wage scales in the navy yards and in Government arsenals and Coast Guard stations. Perhaps the language can be improved, but I think the amendment is well drawn. I do not think it can result in any other purpose than that which it seeks to accomplish, namely, to maintain the present standard of wages in the navy yards, the Government arsenals, and the Coast Guard stations; and I hope the Senator from Indiana is in sympathy with the purpose of the amendment.

Mr. WATSON. I am in full sympathy with it, but I want to ask whether or not it provides for maintaining existing wages that are now paid in the various governmental activities to which the Senator refers?

Mr. LA FOLLETTE. It does; it is confined to them; and it will result in no increase in pay, may I say to the Senator. It merely provides for the maintenance of the standards which now prevail, and, in so far as the navy yards are concerned, has prevailed since January, 1929.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield to the Senator from Michigan.

Mr. COUZENS. Is it not also for the purpose of preventing the discharge or laying off of employees, and having them rehired in the second and third grades?

Mr. LA FOLLETTE. Exactly. My information is that certain reductions in pay have been accomplished not by a change in the standard of wages but by laying off men who have been employed in class 1 and then, when they are rehired, hiring them in class 2, which automatically results in their receiving less pay.

Mr. COUZENS. That is the point I was trying to make.

Mr. LA FOLLETTE. While this will not prevent a reduction in force, it will prevent a reduction in the higher-paid grades and then the rehiring of the same men at the lower grades, and therefore will provide a maintenance of the 1929 wage scale.

Mr. COUZENS. That is my understanding.

Mr. HALE. Mr. President, I will not make the point of order against the Senator's amendment; but this is a matter with which I am not at all familiar, and it will have to be looked into very seriously before we can adopt any such legislation.

I am willing to have the amendment go in the bill with the understanding that it will go to conference and be considered there.

Mr. LA FOLLETTE. If the Senator will only fight for it in conference with the same vigor that I know he will fight for the 11 destroyers, I shall be satisfied.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Wisconsin [Mr. LA FOLLETTE].

The amendment was agreed to.

Mr. SWANSON. Mr. President, I have an amendment that I desire to offer, and I call the attention of the Senator from Maine to it.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. The Senator from Virginia offers the following amendment:

On page 46, after line 24, insert:

"For participation by the band of the United States Marine Corps in the celebration to be held at Yorktown, Va., October 16, 17, 18, and 19, 1931, permission for said participation being hereby authorized, and for the purpose of defraying the expenses of the band, the sum of $2,000, or so much thereof as may be necessary, is hereby appropriated."

Mr. HALE. Mr. President, I shall be willing to accept that amendment.

Mr. SWANSON. I thank the Senator.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Virginia.

The amendment was agreed to.

Mr. VANDENBERG. Mr. President, I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to insert the following as a new paragraph:

The amount appropriated by the independent offices appropriation act, 1932, under the heading "Adjusted-Service-Certificate Fund," shall be available July 1, 1931.

Mr. VANDENBERG. Mr. President, I understand perfectly well that this amendment is subject to a point of order; but I desire to make a very brief statement respecting it to the Senate, and I am very sure the obvious propriety of the purpose will justify the Senate in consenting to the amendment.

Under the terms of the adjusted-compensation program as agreed to by the House and the Senate, there are two sources from which the proposed new loans can be made. One source is through the transfer into cash of the securities that are deposited in the United States Government life-insurance fund. The other is through the conversion into cash of the securities that are deposited in the adjusted-service-certificate fund, which may be briefly identified as the maturity fund.

Mr. President, here is the situation which we will confront, and I desire to emphasize it, because I seem to see in the country a new myth growing up—one more synthetic effort to misrepresent the purpose and objective which this legislation seeks to reach.

It is now being sought to be said that Congress has provided this loan plan without having provided an adequate reservoir out of which the loans may be made. I desire to show that this is not so. It is another species of self-serving fiction.

There are $756,000,000 of free certificates of indebtedness now on deposit in the maturity fund in the Veterans' Bureau. Out of that sum, $21,000,000 must be retained for death claims. That leaves $735,000,000 available in the certificate-maturity fund for conversion into these loans. In addition, $50,000,000 is still available, I am told to-day by General Hines, in the war-risk insurance fund for these loans.

That makes a total now available in this reservoir out of which these loans shall be funded of $785,000,000, which, in the judgment of most of us, will far more than cover any possible demand that shall be made between now and the time Congress reassembles.

But, Mr. President, there is still one other factor of safety that can be perfectly properly added; and it is to this factor of safety that my amendment is addressed.

We have just appropriated in the independent offices bill $112,000,000 as our contribution for the fiscal year 1932 into this maturity fund in the Veterans' Bureau; but, under the terms of the general law, that is not available until January 1, 1932. In other words, the general law requires that it shall become available in calendar years instead of fiscal years. The purpose of the amendment I have offered is to

make that particular appropriation available at the beginning of the fiscal year, namely, July 1, 1931, instead of the middle of the fiscal year. It does not increase any appropriation by a single penny. It simply makes this additional $112,000,000 which we have already appropriated available on July 1, 1931, instead of January 1, 1932.

If it is available on July 1, 1931, then the total reservoir available out of which these loans may be made through the transposition of securities into cash is $897,000,000, which is nearly 90 per cent of the highest estimate that any person has yet made as to the amount that the veterans will require and ask of us under the pending plan to which the two Houses have agreed.

Mr. LA FOLLETTE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Michigan yield to the Senator from Wisconsin?

Mr. VANDENBERG. I yield.

Mr. LA FOLLETTE. May I ask the Senator if his estimate agrees with that of General Hines, or whether he places it lower?

Mr. VANDENBERG. Let me answer the Senator in this way: If the same number of veterans avail themselves of this new privilege as have appealed to the Veterans' Bureau for aid during the last 12 months of disaster, this reservoir is twice the fund necessary to meet that demand. Put differently, this reservoir is equal to the demand of twice all the veterans who have asked for any aid under the existing loan plan during the past year; and the sole purpose of this amendment—a purpose to which I am sure the entire Senate will agree—is simply to make available this additional $112,000,000 which we have already appropriated at the beginning of the new fiscal year as a final addition to this reservoir which will finance the proposed program.

Mr. JOHNSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Michigan yield to the Senator from California?

Mr. VANDENBERG. I yield to the Senator.

Mr. JOHNSON. Because the Senator is so familiar with the mathematics of this proposition, and because the matter of the mathematics has been so grossly misrepresented, not only in officialdom but in the press of the Nation, I desire to ask the Senator whether, in his opinion, without taking a single dollar by taxation, there will be sufficient money available to pay every penny that may be sought under the law that we passed the other day concerning the veterans?

Mr. VANDENBERG. Mr. President, my unequivocal answer to the Senator would be that in my judgment not one single penny of necessary securities and cash will be lacking in this reservoir to meet all the loan demands; and, further, that the plan is so automatically self-contained that there can not be any tax obligation involved, no matter how far the demand goes.

Mr. JOHNSON. The Senator referred to the misrepresentation in respect to the finances of the plan as one of the manufactured myths, I think, with which we have become familiar in the past here. From his view, then, I take it that the statements that have been published and circulated regarding the finances of the Nation are utter, gross misrepresentations of what the Senate has done and what will be required from the United States Government in relation to the payment of that which the Senate has done in behalf of the veterans.

Mr. VANDENBERG. The Senator's statement adds emphasis to the thought I have been undertaking to present; and in whatever degree there is any remaining possibility that there might be a lack of resources in this reservoir out of which the funds must come, the amendment I have suggested will provide the lack.

Mr. SMOOT. Mr. President——

Mr. VANDENBERG. I yield to the Senator from Utah.

Mr. SMOOT. The Senator does not want the Senate to understand, does he, that there will be no financing on the part of the Treasury Department if this amendment becomes a law?

Mr. VANDENBERG. Mr. President, I have never even remotely suggested such a thing. I am saying that the operation on the part of the Treasury is through the sale of existing securities that have already been issued and deposited in these funds or already authorized; and I am saying that under the terms of the act as passed by the Senate day before yesterday there is authority for the sale of those certificates, and that with the addition of the amendment to which I am now asking the Senate's consent there will be approximately $900,000,000 of those securities already issued or already authorized out of which to finance the loans.

Mr. SMOOT. Then, of course, I misunderstood the Senator from California and the answer of the Senator from Michigan to what he stated.

Mr. VANDENBERG. No; the Senator from California, as I understand him, was referring to the extravagant estimates that have been given to us and to the country as to the probable number of the men who will embrace this plan, and therefore to the amazingly exaggerated, or shall I say amazingly conservative, estimate of the amount of financing which will be involved.

Mr. SMOOT. Of course, I must have misunderstood the Senator's statement.

Mr. JOHNSON. Well, that is not unlikely.

Mr. SMOOT. I know it. I am perfectly aware of it.

Mr. JOHNSON. I speak an English at times that may be misunderstood by my friend from Utah. I grant it.

Mr. SMOOT. And the Senator from Utah grants it.

Mr. JOHNSON. All right.

Mr. SMOOT. From the question of the Senator from California, and the answer of the Senator from Michigan, and the reply of the Senator from California, I took it for granted, and I thought that was what was agreed to, that there would be practically no financing required to meet the present obligation.

Mr. JOHNSON. There will be no money required by taxation to meet it. That is exactly what I said. Then, if the Senator will recall, when first this thing came up it was blazoned all over this country that three and a half billion dollars would be required to carry out this scheme, and that was continued for a considerable period; and now it has got to be such an enormous sum that even a part of the press that was blazoning forth that it would take three and a half billion dollars talks of a possible extra session in order that the Congress may enact legislation providing for additional taxation; and I take it from what has been said by the Senator from Michigan that no additional taxation will be required in order to do the financing that is essential to pay the amount that may be due.

Mr. SMOOT. Mr. President, nobody has ever stated, and no publication I have ever seen has stated, that under the amendment agreed to it would take $3,400,000,000.

Mr. JOHNSON. The idea was given forth that this legislation would require three and a half billion dollars. Then it has been asserted repeatedly and continuously that we were raiding the United States Treasury, that by the enactment of this law under pressure by this Congress we were doing something that was most reprehensible, so far as the finances of the Nation were concerned. If what the Senator from Michigan says is accurate, and no one here disputes it, there is not a scintilla of truth in any one of those statements.

Mr. SMOOT. There is not a scientilla of truth in the statement that under the provisions of the bill it would cost $3,400,000,000, and such a thing was never mentioned in the committee. Nobody ever dreamed that any proposition before either the House or the Senate would cost that. I thought it was understood that there would be no financing at all necessary, but that the amount of money to the credit of all of the veterans, if the securities held in the Treasury of the United States to meet the certificates were disposed of at the present time, would be sufficient to pay whatever the legislation passed on Thursday would require. There is no doubt about that at all. Of course, there will be that financing, and the Treasury will have to sell the securities, or raise the money in some other way, and of course they will raise the money by the selling of the securities now held by the

Treasury Department for the purpose of paying the bonus in the end.

Mr. COPELAND. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from New York?

Mr. SMOOT. I yield.

Mr. COPELAND. I understand from what the Senator says that not a dollar will have to be raised by taxation to meet the payment of these loans.

Mr. SMOOT. If they use all the money realized from the sale of bonds or securities now in the Treasury of the United States, purchased for the purpose of paying the certificates when they become due.

Mr. COPELAND. Then these stories which are now being printed, even now, that there may have to be an extra session of the Congress in order to provide a new revenue bill, are not well founded.

Mr. SMOOT. I do not know about the rumors, but I have never thought, nor has any member of the Finance Committee ever thought, that there would have to be an extra session of Congress for that purpose.

Mr. COPELAND. There is no foundation for that. In other words, the securities which are now available are ample to take care of all the loans, without the addition of one dollar of tax to the taxpayers of the United States.

Mr. SMOOT. If the Government can sell those securities, and the sale of such an amount of securities would not injuriously affect the bond market or the business of the country, I think the amount realized would be sufficient to meet whatever loans might be made.

Mr. COPELAND. Mr. President, if the Senator will yield further, it is certainly apparent in Wall Street to-day that there is no panic on. Yesterday we found all the stocks increasing in price. The prices paid for stock exchange seats are larger than they have been for months before, increasing $25,000 or $30,000 per seat. There is to be no increase in taxation; there will be no extra session to provide revenue. In other words, we have on hand now money belonging to the soldiers out of which these loans will be made. The country still lives, and God is in His heaven still.

Mr. SMOOT. Mr. President, we have not the money, but we have securities.

Mr. SWANSON. Mr. President, will the Senator yield?

Mr. SMOOT. I yield.

Mr. SWANSON. I wanted to request that Senators delay the debate until the veto of the President of the bonus bill comes. I want to get through with this naval bill to-night.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Michigan.

Mr. HALE. Mr. President, I am willing to accept the amendment of the Senator from Michigan and take it to conference.

The amendment was agreed to.

The PRESIDENT pro tempore. If there are no further amendments to be offered, the question is, Shall the amendments be engrossed and the bill read a third time?

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. HALE. Mr. President, I ask that the clerk be authorized to make any necessary changes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HALE. I move that the Senate insist upon its amendments, ask for a conference with the House, and that the Chair appoint the conferees.

Mr. COPELAND. Mr. President, before the motion made by the Senator from Maine is acted on, I want to say that I hope that when we say "we insist on our amendments," we mean it. We have been saying that all winter, and yet we have not been able to have many of our most important amendments adopted.

We might just as well have had no meeting of the Committee on Appropriations on most of these bills. We have taken what has come to us from the House. We have put amendments on, the committee has worked day and night. We never had better leadership in the committee or more faithful service on the part of its members. I never worked so hard myself since I have been in the Senate as I have as a member of the Committee on Appropriations this year. But what good did our work do? We have had amendments made by subcommittees and then by the general committee, and made on the floor, and we have insisted on our amendments; but when the bills have come back, the amendments have been wiped out.

Mr. President, I want to say that I hope the Senator from Maine means what he suggests in his motion. If the Senate votes that it insists on its amendments, I hope it will insist on them. Then we will have brought back a bill which will have some tinge, at least, of the activities of the Senate. Then it will not be simply a House bill, as practically all the appropriation bills have been when they have been returned.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Maine [Mr. HALE].

The motion was agreed to; and the President pro tempore appointed Mr. HALE, Mr. PHIPPS, Mr. KEYES, Mr. GLASS, and Mr. SWANSON conferees on the part of the Senate.

PHILIPPINE INDEPENDENCE

Mr. HAWES. Mr. President, Mr. Perry Evans is professor of law in the University of California, and is a member of the California Code Commission.

As the subject of Philippine independence will come before the Congress at its next session, a discussion by an American, giving the American viewpoint, by a man trained in economics and the law will prove valuable.

I ask unanimous consent that the article by Mr. Evans be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, and it is as follows:

PHILIPPINE INDEPENDENCE

By Perry Evans

The case for Philippine independence is not based upon theory or sentiment but upon facts; and I wish to outline some of the basic facts:

The first of these is that the Filipinos want their independence. The propoganda which has been referred to by our Filipino friends this evening as a "whispering campaign" has lulled some of us into the belief that possibly there was something in it, but the evidence to the contrary is so overwhelming that I think there can be little doubt left.

The Senate Committee on Territories and Insular Affairs, in its hearings on the Hawes-Cutting bill, which has been reported favorably to the Senate, took a great deal of evidence upon this matter. The report contains exhibits introduced to show the sentiment of the Philippine people. There are some 28 documentary exhibits, and such resolutions as that adopted by a convention of Filipino business men, held only last November in Manila, with a preamble that says, in effect, "Whereas it is declared by some people that it is only the politicians of the Philippines who are agitating for independence, we now therefore, as business men, declare that it is the desire of all Filipinos for their independence." The resolution was passed unanimously by the 3,000 in attendance. There were resolutions of the chamber of commerce, the Milk Dealer's Association, and so on, every one of them in favor of independence. The report of the Hawes committee states that no one appeared before them who could name five Filipinos opposed to independence.

It is a natural hope. We would not seem to need to take evidence on the proposition that all races desire their independence as soon as they are integrated enough to be able to express themselves in a governmental way. It does not matter how good a government you give them. I remember talking to an Englishman some 10 years ago about the situation in Ireland. He said, "I do not see what the Irish people are complaining about. We are giving them an excellent government." But that is not what the Irish people wanted. They did not want anybody to give them an excellent government; they wanted to govern themselves.

"NEVER BEFORE IN HISTORY A PEOPLE SO UNANIMOUSLY FOR LIBERTY AS FILIPINOS"

Mr. Bunuan has referred, very aptly, to the fact that the Filipinos not only, like all other people, desire independence but they have been particularly educated up to the idea of the right of independence by ourselves in the teaching of our history.

In the October number of the World's Work there is an article by Sherwood Eddy, in which he says that never before in history has there been an example of a nation so eagerly and unanimously desiring its independence as in the case of the Filipinos at the present time.

Nobody intends to turn the Philippines loose against their wish. If it is true that they do not desire independence, we are going to give them a vote on it. Every proposal for independence in-

cludes the vote of the Philippine people, and if they are not in favor of it now, or if they conclude finally not to accept independence, they do not have to take it.

JONES ACT, WORDS OF FOUR PRESIDENTS, PROMISED INDEPENDENCE FOR PHILIPPINES

Promises that we have made to the Filipinos have been referred to; and not only have we definitely given them a promise in the Jones Act, but four, at least, of our Presidents have implied these promises. At the very inception of our rule in the Philippines President McKinley, in 1899, in addressing the Philippine Commission, stated to them that "we go there as a liberating rather than a conquering nation." The implication was that we were not to retain those islands as conquered people. Governor Taft, then Governor of the Philippines, in 1903 made the pronouncement of "the Philippines for Filipinos"; and four years later, when he was still governor, in addressing the Philippine Assembly, he said that it was "the purpose of our Government to reduce and finally end the sovereignty of the United States over the islands." The next year President Roosevelt made the pronouncement which has been referred to, that he believed that within a generation the Filipinos would determine for themselves whether they desired their independence; and it is nearly a generation since he made that pronouncement. Five years later President Wilson, in an address to both Congress and the Philippine people through the Governor General, stated: "Every step we take will be taken with a view to the ultimate independence of the islands."

These declarations can not be lightly put aside as mere personal expressions of statesmen who happened to hold the office of President.

Some people say that the Jones Act, with its preamble to the effect that it is not our intention to retain the islands any longer than to allow them to establish a stable government, was just an unfortunate declaration of a particular party that had control of Congress. They say that the American people had a sort of mental aberration and elected a Democratic Congress when they really did not intend to, and therefore the act did not express their real opinion, notwithstanding that it was passed by the House and by the Senate and signed by the President. Well, whether from mental aberrations or not, every election for the following decade the people elected Republican Houses, and they did not do anything to counteract that declaration. If we did not mean it, why has not something been done to indicate that state of mind? The silence of the Congresses since that time is a support of that declaration.

STABLE GOVERNMENT DOES NOT MEAN THAT EVERY INDIVIDUAL SHOULD BE A STATESMAN

That they have maintained a stable government, of course, hardly needs an argument. Stable government does not mean, as some people would imply, that everybody in the Philippine Islands shall be educated up to the point that he is a Solon and able to act as a statesman. We have recently recognized four or five stable governments in South America that have only been in office for a few weeks. There is a stable government that arose overnight in Peru, and another in Bolivia, another in the Argentine, and I suppose the government in Brazil will be stable in a day or two. It means that there is a government in power with the support of the people of the nation. That is what it means from an international viewpoint.

It is claimed by some that the Filipinos have not evidenced their capacity to maintain a stable government because, under an American governor general, they have not yet had full charge of the executive branch of their government. But how can they furnish evidence which we will not permit them to furnish?

Some of you may remember the story of Davy and the Goblin, which appeared in the St. Nicholas back in the eighties. Maybe you can recall the occasion when Davy and the Goblin were hurrying away from a crowd of peculiar looking men who were following them. Davy timidly asked, "Who are they?" to which the Goblin replied, "Oh, don't be afraid. They are only butterscotchmen. They can't run until they get warm, and they can't get warm until they run."

I think the story applies to the point we are discussing.

As to the capacity of the Filipinos for independence, I want to read you a list of adjectives describing the Filipino people that has been taken solely from talks made by people who are opposed to independence. From these people, we learn that the Filipinos are intelligent, alert, kindly, faithful, peaceful, loyal, sober, industrious, orderly, law abiding, and, above all, that they are particularly astute in politics. Well, my gracious, if people have all those characteristics, why are not they able to govern themselves?

FIFTY-SEVEN OUT OF FIFTY-NINE TRIAL COURT JUDGES IN ISLANDS ARE FILIPINOS

They have had legislative experience for 30 years. For half of that time they have had control of both houses of the legislature, and only two years ago the then Governor General Stimson declared that the record of legislation produced by the Philippine Legislature was "most creditable." They have not, of course, had the opportunity of full self-government, because we have appointed the governor general.

There are 900 municipalities in the Philippines that practically ever since the American occupation have been ruled by Filipinos, elected by the Philippine people. The courts are controlled almost entirely by Filipinos. Justice Finley Johnson, who addressed our section and who has been a judge for many years in the Philippines, said that in the 59 trial courts all but two of the judges are Filipinos.

EIGHTY PER CENT OF REGISTERED VOTERS GO TO POLLS; NO REVOLTS AFTER ELECTIONS

The question of education and literacy has been sufficiently touched upon. It is shown that, according to the test of literacy, the Filipinos stand at least among the first half of the independent nations of the world. Their interest in their government is shown by their voting. Not only does their vote equal at all times 80 per cent and sometimes as high as 95 per cent—which ought to put us to shame—but they accept the results. The party out of power does not revolt when the vote is taken. That principle of democracy they have learned.

I do not contend that the Filipino people are so thoroughly educated that they can carry on a democracy without any failures. I do not know of any country in the world that is educated to that point, even including ourselves. Nevertheless, if they have capable leaders who can steer the ship of state properly, it is sufficient for our purpose to give them their independence. If they do not have a true democracy, if the leaders there are going to impose their will upon the majority of the people, why, probably they are doing it now. They have practical self-government, and, to a certain extent, I suppose these evils exist there as they do here.

The question of immigration has become crucial. It is impossible for us to treat the Filipino people as subjects of the United States and, at the same time, treat them as aliens and prevent their entry into the United States. Whether it would be legally possible or not is beside the question. It would be unfair and grossly unjust. It would be a tyrannical act, and if we wish to exclude the Filipinos from this country, the only logical way to do it is to give them their independence, make them aliens, and then they can have no objection to it. The fact that we have this immigration problem can not be debated on the question of whether we ought to be annoyed at their immigration. The experience of California with the Chinese and Japanese immigration shows that, whether logical or not, the clash of the races is unfortunate, both from a social and economic standpoint. If the Filipinos tend to come here in large numbers our people will insist upon their exclusion. That, I think, logically must go hand in hand with severing our relationship with them and granting them their independence.

PHILIPPINES A BURDEN FROM MILITARY POINT OF VIEW, ESPECIALLY SINCE PACIFIC TREATY

Now, what are some of the obstacles or supposed obstacles to Philippine independence? From a military point of view the Philippines have become a burden rather than an asset. Military people tell us so—especially since we have entered into the Pacific treaty with Japan and Great Britain, under which we have limited our right to fortifications and limited our Navy. Of course, we got quid pro quo by that treaty. One of the reasons we entered into it was to get the Japanese to agree to a certain limitation of their navy. Their navy is limited to approximately 60 per cent of the force of our Navy, and, in return for that, we have surrendered the idea of entrenching ourselves in the Philippines in such a position as to be a danger to Japan. We can, if we desire, retain naval bases in the Philippines. The Filipinos, I am sure, would be willing, in return for what we have done for them, to give us bases for our ships to coal and obtain stores for their work throughout the Orient, in China, and elsewhere.

The matter of commerce is the topic that has probably aroused the most interest in discussing this question. But I want to refer to an article that appeared in the San Francisco Chronicle a few months ago. It is headed "Manila Service Dropped." It refers to the "discontinuance of the Matson Line's service to the Philippine Islands" and to the possibility that "the Dollar Line will discontinue its San Francisco to Manila service," and ends with the statement that "business in this trade is exceptionally light, with cargo offerings far below what was expected and passenger business amounting to little."

So that, balanced against the important political questions that we have to consider, that of the amount of our commerce with the Philippines should not stand in the way. And the present would be a fortunate time to take this step, before economic ties become so much stronger that it would be extremely difficult to sever them.

IT IS NOT IMPOSSIBLE TO ELIMINATE SUGAR TARIFF—PERHAPS NOT EVEN OVERGENEROUS

Some people claim we should not give the Filipinos their independence because they will suffer financially by our imposing a tariff on their sugar. If we are so particular about their interests, we do not have to impose a tariff on sugar. It is just possible that within a few years, the 120,000,000 Americans who buy sugar might conclude to buy their sugar in the cheapest markets and not pay a tariff in order to help the planters of Louisiana or the owners of beet-sugar factories.

There will be, of course, some economic disruption, but there will certainly be less now than there would be in the future. And I think that can be somewhat discounted anyway. I remember that when prohibition went into force 10 years ago I was riding through the country in the fall and looked, with a sad eye, over the vineyards, with the thought that they would be utterly destroyed and dug up because of prohibition, and I felt it would be a great loss to California. But we could not, of course, then know that 10 years later the people in the United States would be drinking more wine than they did before they had prohibition. So with this disturbance in the Philippines possibly the same thing will happen. There may be an inspiration gathered from independence that will lead them into developments that will offset the temporary difficulties.

LUST FOR MERE CONQUEST IS PASSING; NO NATION LIKELY TO ATTEMPT PHILIPPINE FOOTHOLD

It is pointed out that, if we give them their independence, Japan is apt to grab the Philippines. But there are a number of nations vitally interested in seeing that Japan does not get a foothold there; Great Britain (and Australia), France, the Netherlands, China would all be jealous of Japan and of each other. None of those nations wants to see any of the others get a foothold so as to get preponderance there. Premier Hara, of Japan, made the statement a few years ago that "when the United States decides to give the Philippines their freedom the Japanese Government will be the first to sign an agreement for their neutralization." Japan might want them, but she recognizes that it would be a dangerous escapade. The lust for mere conquest is passing, I think, since the Great War and since the establishment of the League of Nations and the signing of the Kellogg peace treaty. Although they might be considered, in some sense, as mere paper agreements, nevertheless they indicate definitely such a change in international sentiment that an attempt at conquest would not be lightly regarded in the future. And the Philippine people are not a lot of sheep to be slaughtered at will. They are armed and willing to fight. They have fought in the past. While it is probable that, if Japan set upon them with determination, she could conquer them, she would not just step in there and take them. And she will think twice before undertaking an invasion, as would any other nation.

If we gave them their independence, I think the relations between Japan and the United States would be better. Japan, I think, feels nervous at the idea that the United States has possession of the Philippines and military forces there even under the present limitations.

PHILLIPINES, THOUGH PERHAPS SHORT ON CASH, HAVE ENORMOUS NATURAL RESOURCES

Some people say that if the Japanese do not take possession of the islands politically they will take possession economically by infiltration and establish their shops and stores and commerce. Well, that should not concern us. If they help build up general world trade, we will share in it. If they help to develop the Philippine Islands, we will share in the increased production and in the increased trade.

The matter of finances is of considerable concern. I am not familiar with the technical questions of finance; I am not a banker. I know that financial difficulties confront everybody, whether it is in the matter of the household budget or a club or a Commonwealth, there are always things that people want and have not enough money for. But, as far as the Philippines are concerned, it seems to me the one and sufficient answer is that they have tremendous natural resources. And with these valuable resources the question of gathering sufficient taxes and carrying out their obligations is not going to be a burdensome one.

It is argued that they should not have their independence because they can not borrow money at the same rate that the United States can. Well, they may have to pay more than we do. The people of Brazil issue 8 per cent bonds and sell them below par, but that does not furnish any reason for the United States to go down there and impress a government on that country simply to impose on them the benefits of 4 per cent bonds. The Filipinos, at any rate, are willing to pay this price.

MOROS ARE MALAYS—DIFFER FROM FILIPINOS MAINLY IN RELIGION

If an independent Philippine government should get into financial difficulties and need our assistance and advice, there is no reason why they should not receive it. During the past decade Persia, Peru, and Poland have had financial advisors and directors from the United States. Austria and Hungary have both received financial assistance from the League of Nations. Either alone or in conjunction with other powers, we could extend a helping hand, not merely as a matter of charity, but because of an international interest in the economic and financial stability of a particular country.

One of the most frequently advanced objections to Philippine independence is the matter of the relation of the Filipinos with the Moros. The question is whether we should turn the Moros over to the Filipinos or erect a separate government. Now, as a matter of fact, the Moros are Malays. They simply differ from the Christian Filipinos in religion. They represent only 4 or 5 per cent of the population. The essential fact is that for the past 15 years the Filipinization of the Moro Provinces has been steadily going on.

The following is a brief history of our dealings with the Moros:

"In 1899 General Bates entered into a treaty with the Sultan of Sulu which was not approved by our Government because it recognized the existence of polygamy. So far as the treaty constituted a promise on our part in any respect, it was abrogated by President Roosevelt in 1904 upon the claim that the Moros had not kept their part of the agreement. In 1915 Mr. Carpenter, at the request of the governor general, entered into negotiations with the Sultan of Sulu, which resulted in the Sultan renouncing his claim to sovereignty upon receiving a certain stipend and the guaranty of religious freedom for his people. From that time on the Moro country has been under the control of the Philippine government. In 1920 the former secretary of state of the Sulu Sultan declared that his people were glad that the government was in the hands of the Filipinos. The disarmament of many of the Moros was brought about because of complaint of and information furnished by the Moro people, who stated that they were tired of being imposed upon by desperadoes.

At the present time the Moro Provinces are represented in the Philippine Legislature by persons appointed by the Governor General. I am informed by Mr. Wright, the former auditor of the islands, that the Governor General always appoints Filipinos to these offices because it is impossible to find Moros with sufficient ability to discharge the duties. Mr. Wright further says that there are few clashes now between the Philippine constabulary and the Moros, and these few are usually caused by Moro robberies.

The mere fact that there is a sizable minority differing in race, language, or religion is not a sufficient reason for establishing a separate government. We did not hesitate to incorporate Louisiana into the Union, notwithstanding New Orleans was a French settlement. New Mexico was admitted as a State, notwithstanding its large Mexican population. Many of the judges and other officials there are of Mexican descent, and the proceedings in the courts are often conducted and the testimony given in Spanish without an interpreter.

IF WE OWE ANY DUTY TO THE WORLD AT LARGE, IT IS TO LEAVE ASIA

I am very much inclined, therefore, to believe that the Moro difficulty is greatly exaggerated. At any rate, this is a matter which the Filipinos and Moros should be able to adjust between themselves. The Filipinos are astute politicians, and should be able to deal with the Moros in a diplomatic fashion. They will probably not bite off more than they can chew, and if the Moros are strong enough to maintain their individuality in certain respects, they will be let alone. As to the guaranty of religious freedom, unquestionably we would see to it that there is such a provision in the Philippine constitution.

Our duty to other powers has been touched upon, and I will say little further in regard to that. If we owe any duty to the world at large, it is to get out of Asia. By the Monroe doctrine we order the old world out of the new. It would be becoming if we would apply the same principle to ourselves and get out of the old.

If we are ready to recognize that the Filipinos should have their independence, the quicker we go about it the better. There does not seem to be any sufficient reason for stringing the thing out. Nobody is willing to put forward a program definitely stating that they shall not have their independence for a period of 30 or 50 years. But unless we do that or grant independence, the thing will continue to drift along in the present unsatisfactory manner.

If we give them their independence or promise it within a definitely short time, we could impose immigration restriction now without being offensive.

CONTINUATION OF PRESENT RÉGIME IS REPUGNANT TO OUR IDEALS, VIOLATES PROMISES

It seems to me that it would be rather refreshing if we were able again to read the Declaration of Independence, to the effect that it is the right of all people to organize their government "in such form as to them shall seem most likely to effect their safety and happiness," without having to add "except Filipinos."

A continuance of the present régime is repugnant to our ideals, is in violation of our promises, and is dangerous. We must not suppose that the Filipino people are going to continue indefinitely simply to desire their independence and do nothing about it. We may think that there will be no rebellion, but why take the chance? Many people thought there would be no collapse of the stock market. Remember that the Filipinos sacrificed 25,000 men in their stubborn resistance to our invasion of their country. The American people will never stomach waging a new war merely to keep the Filipinos in subjection. The cost in money and lives of quelling an insurrecton would be greater than the commercial advantages which we are seeking.

We had, it seems to me, better take time by the forelock and get the prestige of doing an honorable act in an honorable way. Ten years ago President Wilson, in addressing Congress, said: "It is now our liberty and duty to keep our promise to the people of these islands by granting them the independence which they so honorably covet."

If it was our duty 10 years ago, it is a more pressing duty now.

HOSPITALIZATION OF WORLD WAR VETERANS

Mr. SMOOT. Mr. President, I move that the Senate proceed to the consideration of House bill 16982, to authorize an appropriation to provide additional hospital, domiciliary, and out-patient dispensary facilities for persons entitled to hospitalization under the World War veterans' act, 1924, as amended, and for other purposes.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with an amendment.

Mr. SMOOT obtained the floor.

Mr. SWANSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Virginia?

Mr. SMOOT. I yield.

Mr. SWANSON. I call the attention of the senior Senator from New York to the fact that the last time the calendar was called——

Mr. ASHURST. Mr. President, it is a painful thing to me to object to anything which the distinguished Senator from

Virginia wishes—it causes me poignant grief—but I beg of him to let us pass this bill, and then we will vote for anything he wants.

Mr. SMOOT. Mr. President, if the Senate will give me its attention, I will briefly state what the bill proposes.

Mr. LA FOLLETTE. Will the Senator yield to me to suggest the absence of a quorum? There are only a few Senators here, and I think Senators should be here, because if they are not, when the question comes on the bill later, they will not be informed about it.

Mr. SMOOT. There are quite a number here.

The PRESIDENT pro tempore. Does the Senator yield for that purpose?

Mr. SMOOT. I do not want to be disrespectful, but I believe we have as good an attendance as we could get.

Mr. President, the Committee on Finance conducted hearings for the purpose of determining the need, if any, for new construction to meet the demand for hospitalization under the World War veterans' act, 1924, as amended, and for domiciliary care under the various statutes administered by the Bureau of National Homes (formerly the National Home for Disabled Volunteer Soldiers), and after careful review and study of the evidence submitted, the committee is of the opinion that a program of construction should be initiated and completed as soon as possible to meet the needs of such services up to 1935. To this end the amount included in the House bill, namely, $12,500,000, has been increased to $18,027,000. To this amount has been added $2,850,000 to provide certain additional construction for national homes, which were covered by H. R. 16858, making a total of $20,877,000. Various construction programs were submitted to the committee, including the estimates of needs furnished by the Administrator of Veterans' Affairs. Your committee, however, believes that the location of the new hospitals and homes and the additions to existing hospitals and homes can better be left to the discretion of the Federal Board of Hospitalization with the approval of the President. This board is composed of outstanding men thoroughly versed in the subject of hospitalization and domiciliary care and after comprehensive study will be in a position to best locate facilities authorized in this bill where they are most needed.

Sections 1, 2, 3, and 4 of the bill are for the purpose of generally authorizing the appropriation and are in the same language previously used in authorization acts of a similar nature.

Section 5 of the bill authorizes the Administrator of Veterans' Affairs, with the approval of the President, to reallocate, if found desirable, certain projects heretofore authorized by the public acts enumerated therein. This section will permit of the building of certain projects either at the places heretofore authorized or elsewhere and will permit distribution of the money authorized for more than one unit.

Section 6 of the bill authorizes a reduction in monetary payments, effective as of the first day of the first calendar month following the approval of the act, to any veteran who is being maintained by the Veterans' Administration in an institution to 50 per cent of the amount to which he would otherwise be entitled so long as he shall remain in such institution. A proviso is added, however, to the effect that in no event shall the amount of the monetary payment be reduced to less than $20 per month, and, further, if the veteran has a wife, child or children, or dependent parent or parents, that the difference between the amounts specified in the section, namely, 50 per cent, and the amount which would otherwise be payable is to be paid to the wife, child or children, or dependent parent or parents, in such proportions as may be prescribed by regulations.

Mr. SWANSON. Mr. President, will the Senator yield?

Mr. SMOOT. I yield.

Mr. SWANSON. As I understand, this bill proposes to increase the appropriation from $12,500,000, as it was passed by the House, to $20,000,000?

Mr. SMOOT. To $20,000,000; yes.

Mr. SWANSON. I understand the House committee in their report, while it was not specified in the law, designated the places where the hospitals were to be located.

Mr. SMOOT. The law was based upon the places where they should be located.

Mr. SWANSON. And Congress made appropriations in view of those provisions. In connection with the seven million and a half by which the committee has recommended that the appropriation made in the House be increased, has the committee made any recommendation as to where the hospitals shall be located?

Mr. SMOOT. No; that is left to the members of the Federal Board of Hospitalization. Let me call the Senator's attention to the members of the board, so that he will know the character of men they are.

Mr. SWANSON. I know who the members of the board are, but Virginia is one of the seven States in the Union that has not a veterans' hospital. South Carolina has not one. Virginia is one of the seven, and these hospitals are being accumulated in the different States. What I want to know is this: Is this provision left so that if Virginia proves her case that she is entitled to have a veterans' hospital, she will get it? In other words, there is no provision made for the particular places where the hospitals are to be located?

Mr. SMOOT. The committee felt that the members of the Federal Board of Hospitalization should select the places because they know better than we where to locate them.

Mr. SWANSON. They are left unfettered in the distribution of the $7,500,000?

Mr. SMOOT. They are.

Mr. SWANSON. They have hitherto refused to give us a veterans' hospital in Virginia. We have a naval hospital at Norfolk and there is a naval hospital here in Washington. But if we have veterans in either of those hospitals they are required to move out on account of members of the Army and Navy wanting to come. I understand that if I appear before the board and if the people of Virginia appear and present the situation, the board will be left unfettered so far as the $7,500,000 is concerned, and can expend it where the best interests require.

Mr. SMOOT. There is no question about it. I will say to the Senator from South Carolina [Mr. SMITH] that it applies to South Carolina or any other State so far as that is concerned.

Mr. SMITH. Mr. President, since the Senator has referred to my State, I want to say that there is no hospitalization of any kind, naval or otherwise, within its borders. It is perhaps the only State in the Union that has no facilities for taking care of those who need hospitalization. I feel that if the bill becomes a law my State will be adequately taken care of.

Mr. SMOOT. I have not any doubt of it.

Mr. LA FOLLETTE. Mr. President, I merely wish to say to the Senator from Virginia that while the bill leaves the board unfettered, as he terms it, nevertheless the Director of Veterans' Affairs did submit a breakdown of the appropriation to the committee, and if that is carried out it will mean that every State in the Union will have a veterans' hospital, with the exception of Delaware, which is surrounded with hospitals in other States.

Mr. SWANSON. I had intended to offer an amendment to increase the appropriation $1,500,000 for the purpose of giving us a hospital in Virginia. But if the present plan intends to give one to each State in the Union, I shall not offer the amendment and I shall cheerfully support the bill and hope that we will have a hospital in Virginia as soon as possible.

Mr. SMOOT. I may say that the only reason why Delaware does not have one provided for is that they have hospitals in adjoining States all around Delaware within just a few miles.

Mr. SWANSON. Delaware is ably represented in this body and her representatives will look after her interests.

Mr. SMOOT. Virginia will have a hospital.

Mr. SWANSON. The Senator can assure me that if this bill is enacted into law Virginia will have a hospital?

Mr. SMOOT. Yes; that is true.

Mr. COPELAND. Mr. President, I understand under the terms of the bill—I think the Senator said it, but I will be glad if he will repeat it—the exact location and the choice of

the site or place where the hospital is to be erected will be left to the Federal board?

Mr. SMOOT. Yes.

Mr. COPELAND. Regardless of the breakdown made before the House committee?

Mr. SMOOT. Yes.

Mr. COPELAND. If the bill is enacted into law, it will leave the absolute power in the Federal board to determine the location of the hospitals. Am I correct?

Mr. SMOOT. The Senator is correct.

Mr. FESS. Mr. President, the statement of the Senator from South Carolina [Mr. SMITH] is rather surprising to me. Is there not a hospital at the navy yard?

Mr. SMITH. Not one. We have not one. South Carolina is not only left out so far as hospitals of the Navy are concerned, but is left out so far as all kinds of hospitalization are concerned. There is a Government shack down there that would accommodate about eight men, but it is such a shack that a decent man would hardly want to go into it. We have not a hospital of any kind for soldiers or sailors in South Carolina.

Mr. LA FOLLETTE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LA FOLLETTE. I desire at the proper time to offer an amendment to strike out section 6 of the substitute amendment. Would it be in order to offer that before the substitute is agreed to and thus perfect it, or to await the adoption of the substitute and then offer the amendment?

The PRESIDENT pro tempore. It should properly be done before the adoption of the substitute.

Mr. LA FOLLETTE. When the Senator from Utah shall have concluded I wish to be recognized to offer such an amendment.

The PRESIDENT pro tempore. The Chair will bear that in mind.

Mr. SMOOT. Mr. President, I do not think there is anything further I desire to say about the provisions of the bill. I think I have stated the object of each section of the bill.

Mr. LA FOLLETTE. Mr. President, on page 8 I move to strike out section 6, beginning with line 1 and ending with line 22.

I am in sympathy with the general purpose sought to be accomplished by the provision, namely, to attempt to induce men who are in a national home or in a hospital to leave as soon as they are in physical condition to do so. However, this provision has not been considered by any of the veterans' organizations. No legislation to this effect is pending in the Congress, as I am advised, and it seems to me that to adopt such a provision without giving the veterans an opportunity to consider it is unjust. It may be, of course, that they would not find themselves in a position to indorse such a provision. It might be also that the Congress, despite their opposition, would think that such legislation is justified. But I felt when the proposition was advanced in the committee that it was hardly fair to all of the men who will be affected by the terms of the provision if it becomes a law that it should be enacted without their having an opportunity to express their views concerning it and without giving more attention to the provision than the committee of necessity could give it in the closing hours of the Congress.

Furthermore, I wish to point out the provision which gives to the Administrator of Veterans' Affairs the right to say how much each dependent of a veteran in a hospital or home shall receive. That will be found in the last proviso, reading as follows:

Provided further, That if such veteran has a wife, a child or children under the age of 16 years or of any age if permanently incapable of self-support by reason of mental or physical defect, or dependent parent or parents, the difference between the amount specified herein and the amount which would be payable except for the provisions hereof, shall be paid to the wife, child or children, and dependent parent or parents in such proportions as may be fixed by regulations prescribed by the administrator.

I believe I attended all of the hearings on the hospital legislation. None of these provisions was discussed or under consideration while representatives of the veterans' organizations were before us. It is true that the Administrator of Veterans' Affairs did bring the situation to the attention of the committee. I may say that I offered in the committee the same amendment which I now seek to have adopted, but it was rejected there. I feel that in justice to the veterans this matter should be brought to the attention of the Senate, and that the deliberate judgment of the Senate should be taken upon the wisdom of enacting such legislation in this hasty fashion.

Mr. ROBINSON of Arkansas. Mr. President, I would like to ask the Senator in charge of the bill what is the primary purpose of section 6? Is it to effect economies?

Mr. SMOOT. No; it is not. The Administrator of Veterans' Affairs feels that the legislation is absolutely necessary so that all disabled veterans will be treated alike and in the same way. The limit to which the administrator can go is fixed in the bill.

The Senator from Arkansas will remember that when the first legislation was enacted affecting veterans there was provided in the way of compensation so much for a wife or for a child or for children under the age of 16 years. We have tried to follow that plan clear through from the time of the enactment of the first legislation up to the present time. The Administrator of Veterans' Affairs feels that this is absolutely necessary in order properly to administer the provisions of the law.

Mr. ROBINSON of Arkansas. Perhaps my question was not clear. The Senator's answer, as I understand it, relates to the last proviso, giving the Administrator of Veterans' Affairs the power to determine the proportionate amount which should be paid to the respective dependents of a veteran who is in the hospital and comes within the class referred to under the proviso. My inquiry was, What is the primary purpose of requiring one who is so unfortunate as to need hospitalization to sacrifice one-half of his pension, disability allowance, or retirement pay?

Mr. SMOOT. He has no expenses whatever while he is in the hospital.

Mr. ROBINSON of Arkansas. It is because the Government is incurring an additional expense in providing for him in the institution.

Mr. SMOOT. Yes. The Government is taking care of him while he is there. He has every care while he is in the hospital. Everything is paid for by the Government. If he were not in the hospital, it would take the full amount of his compensation to meet his expenses. But while he is in the hospital the Government is paying all of his expenses, and so it was felt justifiable that his compensation should be reduced 50 per cent.

Mr. ROBINSON of Arkansas. It is the equivalent of charging him 50 per cent of whatever his pension, disability allowance, or retirement pay might be under the disabled emergency officers' retirement act?

Mr. SMOOT. Yes; while he is in the hospital.

Mr. ROBINSON of Arkansas. The division would be in varying amounts for identical service; that is, a colonel, for instance, would pay much more than a private, of course, because his retirement pay is much more than the compensation which is awarded to a private.

Mr. SMOOT. Yes; that is true.

Mr. LA FOLLETTE. Mr. President, I think, in fairness to the Administrator of Veterans' Affairs, it should be stated that the reasons which he advanced for this amendment were not in the nature of any appeal for the legislation on the ground that it would produce economy. His whole theory about it is that the World War veterans, who are of the average age of 36 years, should be encouraged to get out of the hospitals and to get out of the homes as quickly as they are physically able to do so. He feels that by taking 50 per cent of the compensation to which they are entitled the moment they enter the hospital, an inducement would be furnished them to hurry out of the institution as quickly as they are able to do so, in order that they may get back their compensation.

I do not attack the amendment on the ground that I think the object the director seeks to obtain is not a sound one. My criticism of the amendment is that it has been

injected here in the closing hours of the Congress without an opportunity for the representatives of the veterans' organizations to be heard upon it; and further that it confers a wide power on the director in fixing the amount which the dependents of veterans shall receive.

Mr. ROBINSON of Arkansas. Mr. President, if the Senator will pardon me, his first two suggestions would appear immaterial, provided the legislation is well considered and necessary. The mere fact that a long time has not elapsed since it has been presented and that some who are interested have not had an opportunity to be heard would not be a conclusive argument against it.

Mr. LA FOLLETTE. It would not be conclusive, but I submit that it is persuasive. It has been the custom of the Congress to give those who desire to be heard and who are affected by legislation an opportunity to enter their protest if they desire to do so.

Furthermore, in so far as the committee are concerned, this bill was considered during the closing hours of this Congress and, so far as this particular amendment is concerned, it had about 15 minutes consideration in the committee.

Mr. SMOOT. Mr. President, may I suggest to the Senator from Wisconsin that he let the amendment be adopted in its present form? It will then go to conference, where the questions to which he refers will be considered. If the Senator does not desire to do that, I want a vote on the amendment.

Mr. LA FOLLETTE. So do I want a vote on the amendment in the Senate. The Senator and I are as one on that proposition.

Mr. ROBINSON of Arkansas and Mr. BRATTON addressed the Chair.

The PRESIDENT pro tempore. The Senator from Utah has the floor. Does he yield, and, if so, to whom?

Mr. SMOOT. I yield first to the Senator from Arkansas.

Mr. ROBINSON of Arkansas. Mr. President, referring now to the last proviso to which the Senator from Wisconsin [Mr. LA FOLLETTE] made reference, it gives the administrator no discretion as to the allowance of the 50 per cent where the veteran has a wife, a child, or other dependents—referring to parents—but it apparently does give him complete discretion as to the manner in which that 50 per cent shall be disbursed as between dependents.

Mr. LA FOLLETTE. Exactly; that is the point. If I did not make that clear in my statement, I am glad the Senator from Arkansas has raised that question. I do not contend that it gives the director any right to subtract from the 50 per cent that is to be given to the dependents. The point I make is that it gives the director the power to decide how that 50 per cent of the veteran's compensation shall be divided among his various dependents, if he has more than one.

Mr. ROBINSON of Arkansas. That might——

Mr. SMOOT. Somebody must have discretion.

Mr. ROBINSON of Arkansas. Just a moment, if the Senator will yield to me, and then I shall not interrupt further in this connection.

That discretion in some cases might not be wisely used, but, on the other hand, I can conceive of cases in which it would be rather difficult to apply an arbitrary rule such as the Congress would necessarily prescribe if it withheld any discretion from the administrator in the matter of the amount to be apportioned to the respective persons to be benefited.

Mr. SMOOT. That is exactly the position the director took. Somebody has got to fix the amount; I think that is absolutely necessary.

Mr. ROBINSON of Arkansas. For instance, suppose one veteran had a dependent wife and also dependent parents, and another veteran had a wife and five children and dependent parents; it would be quite difficult, I conceive, to fix in the law itself a formula for the proper apportionment in all cases. It could be very easily done in any given case, but since the cases will be much varied in respect to who shall constitute the dependents, it seems to me it may be a very wise provision. I bring that suggestion to the attention of the Senator from Wisconsin for whatever he may think it is worth.

Mr. LA FOLLETTE. I wish to suggest to the Senator that these men are on the average 36 years of age. A great tribute was paid to their intelligence by the senior Senator from Pennsylvania [Mr. REED] the other day. Why should we not permit them to have some discretion concerning the manner in which their compensation is to be divided among their dependents?

Mr. ROBINSON of Arkansas. Some of them, of course, are in a class of institutions where the presumption is that they are not able to exercise that discretion.

Mr. LA FOLLETTE. But many of them are not; many of them are physically disabled, but not mentally impaired at all. This legislation, if enacted, would give that power to the Administrator of Veterans' Affairs concerning all veterans. I called attention to it to show that the legislation has not had the mature consideration which I think its importance merits.

Mr. SMOOT. Mr. President, the Administrator of Veterans' Affairs, General Hines, I am quite sure, would not recommend anything to the committee that he thought was not for the best interests of the veteran himself and of the veterans' wife and other dependents. Somebody has got to exercise the discretion, and who better can do it than the administrator? It does seem to me that section 6 ought to be agreed to just as it is.

Mr. BRATTON obtained the floor.

Mr. SMOOT. Will the Senator from New Mexico allow a vote to be taken upon the amendment?

Mr. BRATTON. No; I want to speak to that amendment.

Mr. SMOOT. I beg the Senator's pardon.

Mr. BRATTON. Mr. President, I find myself in full accord with the views expressed by the Senator from Wisconsin. This proposal has not had adequate consideration; it has not received the mature deliberation of the Finance Committee, so much so that the report of the committee fails to carry any expression from the Administrator of the Veterans' Affairs.

I do not question for a moment the statement of the chairman of the committee as to what the administrator stated to the committee; of course, I would not do that; but I emphasize the fact that this proposal, sweeping in its effect, is brought forward as an amendment to a House bill during the closing days of the session, when those representing the various veterans' organizations are denied the opportunity to present their views to the Congress. It may be that such a proposal has meritorious features, but at least those who are affected in a financial way should be afforded an opportunity to come here through their representatives and present the matter to the Congress. That opportunity has not been afforded them.

Mr. SMITH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from South Carolina?

Mr. BRATTON. I yield.

Mr. SMITH. Of course the hospitals provided for in this bill will be of the same nature and character as the hospitals which are already in existence and which have been in existence for some time. Up to the present time has any such regulation been applied to veterans who are being treated in existing hospitals?

Mr. BRATTON. I understand not; this is an entirely new proposal.

Mr. SMITH. This bill proposes to reduce the compensation the veterans receive while in hospitals to 50 per cent of their allowance, with certain modifications with respect to dependents. As I understand, it is proposed to treat the veterans who hereafter will undergo hospitalization in a different manner from that accorded veterans who have been cared for in hospitals since the World War; in other words, those who have heretofore received hospital treatment have obtained their full compensation plus the hospitalization. I am rather of the opinion that it might be

well for us not to enact this legislation until we obtain more definite data as to its fairness.

Mr. BRATTON. Mr. President, that was the thought I was endeavoring to express when the Senator from South Carolina interrupted to express it more effectively than I could do.

Mr. President, the adoption of this amendment now will not enrich the Federal Treasury; its rejection now will not impoverish the Federal Treasury. There is not enough involved to do either thing. The veterans who would be penalized under this provision have the right to be heard before the ax is drawn over their necks. We appropriate money for every other conceivable purpose, and do it lavishly at times. I make no criticism now against that; but has the time come, during the closing days of a session, when in this fashion and with this slight consideration—indeed, with no opportunity for the veterans affected to be heard—we must rush through a provision which would penalize a veteran who is hospitalized as a result of illness?

It is suggested by the Administrator of Veterans' Affairs that this penalty should be fixed as a means of encouraging veterans to hasten their departure from the hospitals. That implies, Mr. President, that a veteran, in order to have the benefits of hospitalization, would stay in a hospital longer than he should stay there, and remain even after he has recovered.

Mr. SMOOT. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Utah?

Mr. BRATTON. I yield.

Mr. SMOOT. I would not want the Senator to make such a sweeping statement as to all veterans. It has developed in the past, however, that there are veterans in hospitals who do not want to leave and will not leave.

Mr. BRATTON. Yes.

Mr. SMOOT. But the vast majority, perhaps over 90 or 95 per cent of them, of course, want to leave just as quickly as they can. There are, as I have said, though, some—and this has to do with those few—who do not desire to leave when they are cured. I do not see any objection to the provision at all.

Mr. BRATTON. Then, under that statement, the Senator would penalize 90 or 95 per cent——

Mr. SMOOT. No.

Mr. BRATTON. Of those who enter hospitals to the extent of 50 per cent of their compensation, in order to drive 5 or 10 per cent out of the hospitals. That statement, upon its face, shows the weakness of this proposal.

Mr. SMOOT. Does the Senator desire, then, that they should remain in the hospitals indefinitely?

Mr. BRATTON. Let the director dismiss a veteran who has regained his health and accordingly should leave the hospital.

Mr. SMOOT. There would be a row about it if a veteran should not want to go; and the newspapers would be filled with accounts of the injustice of the administrator.

Mr. BRATTON. Let me say to the Senator from Utah that I live in a section of the country where perhaps an undue proportion of sick veterans go in order to regain their health, and I have never had my attention drawn to a single case where the director had any trouble in dismissing a veteran who had recovered and should leave. However, let us concede that there are such cases—and I doubt not the statement of the Senator from Utah, but I think they are rare exceptions to the general rule—let us concede the facts to be as stated, are we going to penalize to the extent of 50 per cent of their compensation the vast majority of veterans who are so unfortunate as to lose their health and, therefore, are required to go to hospitals in order to encourage some other veteran to leave the hospitals?

Mr. FESS. Mr. President, will the Senator yield?

Mr. BRATTON. In just a moment. The average veteran would prefer to be outside a hospital than to be on the inside, even though he received his 100 per cent compensation.

I now yield to the Senator from Ohio.

Mr. FESS. Mr. President, I desire to submit a parliamentary inquiry as to what is pending. Is there an amendment pending to strike out section 6?

The PRESIDENT pro tempore. The Senator from Wisconsin [Mr. LA FOLLETTE] has moved an amendment to the amendment as proposed by the committee, to the effect that section 6 shall be stricken out.

Mr. FESS. The inquiry I had in mind was this: The whole Senate committee amendment is one amendment—to strike out all after the enacting clause of the House bill and insert one amendment. The amendment now offered is to strike out section 6, I understand.

Mr. LA FOLLETTE. I believe my amendment to be in order, because, as I view it, it proposes to perfect the committee amendment, and therefore should be acted upon before the question is put upon the substitute amendment of the committee.

Mr. FESS. That was my inquiry.

The PRESIDENT pro tempore. The Chair is of that opinion, also.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. BRATTON. Yes.

Mr. SMOOT. Did I understand the Senator to state that this 50 per cent is taken out by the Government because of the fact that the veteran is in a hospital?

Mr. BRATTON. It is, in the case of a single man.

Mr. SMOOT. If he is a single man, then——

Mr. BRATTON. His compensation is decreased 50 per cent while he is in a hospital.

Mr. SMOOT. Yes, while he is in a hospital; but if he is a married man, then the compensation would go to his wife or children.

Mr. BRATTON. Yes.

Mr. SMOOT. It does not cost him anything in that event.

Mr. BRATTON. Or a dependent parent.

Mr. SMOOT. Of course—a dependent parent.

Mr. BRATTON. My recollection is that either in the original World War veterans' act of 1924 or some amendment thereto it was provided that at a named future date the compensation to a single veteran should be reduced; I do not recall whether it was 50 per cent or to a certain figure in dollars. Later, and before that date arrived, Congress repealed that provision, thereby declaring itself in favor of continuing unreduced the compensation to a single veteran while he was in a hospital. We went on record upon that question at that time.

I recall distinctly that I offered the amendment on behalf of my then colleague, the late Senator Jones, who was ill at the time.

Now it is proposed, as an amendment to a veterans' hospital program, without consideration, without hearings, without giving the representatives of the veterans involved and affected an opportunity to present their side of the situation, to cut down their compensation 50 per cent.

What is the reason for it? Why should we do it? The Senator from Wisconsin tells us that the Administrator of Veterans' Affairs said that we must urge the veterans to leave the hospitals when they have recovered sufficiently to do so with safety; that we should urge those who are disinclined to leave at the proper time to take their departure.

I repeat, Mr. President, that if there are such cases they are rare exceptions to the general rule of the veterans of the World War. My observation of the veterans has been that they stay out of the hospitals as long as possible; that they wage a valiant fight—sometimes against great odds—to hold their own in the arena of life. I am unwilling to give my approval to a proposal which will penalize these veterans to the extent of 50 per cent of their fixed compensation during the period while they are compelled of physical necessity to go into a hospital and there fight to regain their health. The Federal Treasury is not embarrassed to that extent. We do not need to practice economy in that way.

Mr. President, I hope the amendment of the Senator from Wisconsin will prevail; that this section will be stricken out,

and that no such penalty will be visited upon these veterans in this hasty, immature, inconsiderate fashion.

Mr. SMOOT. Mr. President, the first proviso in section 6 of the committee amendment is as follows:

That the amount payable shall not be reduced to less than $20 per month.

If the veteran had $30 compensation, if he went to a hospital he would receive only $10. If he had one child, there would be no penalty under this provision. If he had a wife, there would be no penalty under this provision. It is only a single man who has any reduction made, and then it is provided that the amount payable shall not be reduced to less than $20 a month. In no case shall it be reduced to less than that. Then, again, if he is a married man, if he has a wife or child, all of the amount goes to him, and the Government of the United States takes care of him without any compensation whatever. He gets the full amount.

Mr. President, this is in conformity with the program that was mapped out and presented by the Veterans' Bureau; and I want to say to the Senator that we did hold hearings on the subject, as the Senator will remember, not during the consideration of this bill, but hearings were held upon a similar proposition.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. SMOOT. Yes.

Mr. COUZENS. Did not the American Legion representative, the day that we reported out this bill, urge us not to do this until they had had an opportunity to consider it? He urged us not to put in this provision until after hearings were had on it; and there were no hearings on this bill, were there?

Mr. SMOOT. Not on this particular one.

Mr. LA FOLLETTE. Mr. President, I think the Senator from Utah is mistaken in stating that there has been any hearing on any provision such as this in connection with this hospitalization legislation, because I think I have attended every meeting of the committee.

Mr. SMOOT. Not in connection with the present bill, Mr. President; I do not mean that. The same matter arose, however, when we were considering the last bill, as the Senator will remember; and at that time the director spoke of the conditions existing in the hospitals, and said that there ought to be some legislation on the subject. I do not say that this identical wording was submitted even at that time, but the principle was discussed at that time.

Mr. LA FOLLETTE. Mr. President, if the Senator will yield, that was before I was a member of the committee; but I wish to confirm the statement made by the senior Senator from Michigan [Mr. COUZENS] that Mr. Watson Miller, in making an informal statement before the committee—which was not taken down, because there was no shorthand reporter there—stated that he protested the enactment of this legislation without an opportunity for the veterans' organizations, and particularly the one he represented—the American Legion—to have an opportunity to be heard upon the question, to consider it in their own organizations, and to deliberate and decide what their position would be concerning it.

Mr. SMOOT. That is true; but other members of the American Legion have told me that they were in favor of the bill and wanted it passed the way it is. The Senator is right in stating that the party mentioned was in the committee room while we were discussing the proposal, and he thought we ought to have a hearing on it before we acted upon it. I promised the Senate, however, that I would report the bill to the Senate the next day; and that is what we did.

Mr. LA FOLLETTE. I do not want the Senator to think that anything I have said is criticizing him or the committee for not extending the hearings; but I point out that we got to the consideration of this legislation at such a late day in the session that it was impossible to grant the hearings that were requested and secure enactment of the legislation.

Mr. SMOOT. I am very much surprised at what has happened to-day, because I thought the Senator from Wisconsin was in favor of the proposition. I know he voted for it.

Mr. COUZENS. Oh, no!

Mr. SMOOT. I mean the substitute proposition.

Mr. LA FOLLETTE. I offered the amendment to strike out this section in the committee. When it was voted down, of course I voted for the substitute. I am wholeheartedly in favor of the main provisions of the Senator's amendment. All that I am seeking to do is to strike out this section, which, I believe, should not be enacted in this fashion.

Mr. COUZENS. Mr. President, I desire to say that this is an unusual piece of legislation to be brought out without any hearings by the interested parties.

This proposal was sprung on the committee with hardly any consideration. No one voiced his approval of it except the Administrator of Veterans' Affairs; and while we all have great respect for him, I do not know that we have to put aside our own judgment because he recommends anything.

No one is more strongly opposed than I am to persons being lazy. The whole motive of this amendment is to drive out of hospitals and soldiers' homes veterans who, they fear, will become lazy and not desire to go out and earn a living.

If that is the sole purpose of this provision, it could be easily fixed up so that the veteran who did not leave the hospital after he had been declared well and able to go might have his compensation reduced; but why, immediately he goes in the hospital, should his compensation be cut 50 per cent? No one knows what obligations he has incurred. No one knows whether he may not be sending his brothers or sisters through school. He may be purchasing a home in anticipation of getting married. Any number of things might have been arranged prior to his entering the hospital; but immediately he goes into the hospital, and his earning capacity is automatically reduced, the Government steps in and says, "We will cut your income still more," and we take away from him that which he had before he went into the hospital.

It seems to me there is no justification for this amendment under any consideration, even if it were proposed after having hearings.

Mr. SMOOT. Mr. President, I desire to call the Senator's attention to the fact that in 1924 a somewhat similar proposition was made which applied to single men, and we held hearings on it. However, there was attached to that proposal a provision that in no case should the reduction in compensation exceed $40. That was a provision that was almost exactly the same as this—in fact, I think it was exactly the same as this—with the exception that we limited to $40 the reduction that could be made.

Mr. LA FOLLETTE. Yes; but it was not acted on.

Mr. SMOOT. No; it was not acted on at that time.

Mr. BARKLEY. Mr. President, I hope the amendment offered by the Senator from Wisconsin will be adopted.

I recognize the fact that in some individual cases, more or less isolated, an ex-service man who has no dependents may be able to have more money while he is in the hospital than he would have while he is out; but during the last days of the legislative session, in which we are now engaged, I do not believe this sort of proposal ought to be tacked on to a hospital bill.

It may be that it would be wise to make some revision of the compensation laws so as to discourage, as General Hines indicated it, the tendency of young men without dependents to hang around the hospitals in order to draw their compensation and at the same time be supported by the Government while in the hospital; but certainly that sort of a proposal ought to receive more deliberation and consideration than it has had at the hands of the Finance Committee at this time.

This proposal was suggested the other day rather incidentally, while we were holding hearings on the hospital bill. It came rather suddenly from General Hines, for whom I have the greatest respect; and it came because of his fear that after a while the hospitals would be filled up largely with young men because of the attractiveness of the compensation and the hospitalization all at the same time.

If there is any such danger, it is at this time at least remote, and there will be ample time when we can deliberate over this legislation, and not put it in a bill which we must rush through at the end of the session, providing additional hospital facilities for the ex-service men.

Mr. SMITH. Mr. President, will the Senator from Kentucky yield to me?

Mr. BARKLEY. I yield.

Mr. SMITH. Admittance into a hospital certainly will have to be after examination by a physician, and is it possible to suppose that physicians who examine these men will enter into collusion with soldiers to get them into hospitals?

Mr. BARKLEY. Of course, such a suggestion would be a reflection upon the medical force of the Veterans' Bureau itself.

Mr. SMITH. This is a reflection on the soldier.

Mr. BARKLEY. Whatever compensation is being paid the ex-service men now is also the result of medical examinations, and the result of a finding of the bureau that the injury or disability which the soldiers received as a result of the war justify the compensation which they are receiving.

It is proposed, further than that, that if they are in such physical condition that they need hospitalization, and they enter a hospital to receive the treatment furnished by the bureau, their compensation shall automatically be cut 50 per cent as long as they are in the hospital. I do not think that is just. I do not think it is fair to the Senate to ask us to vote that provision into this bill, at this time, under the circumstances. Certainly there have been no hearings in the Finance Committee in the last four years, since I have been a member of it, suggesting any such amendment as this.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. SMOOT. I wanted to say to the Senator from South Carolina that this bill would not change in the slightest the mode by which a soldier would enter a hospital.

Mr. BARKLEY. No; it would not change the mode of entering, but it would change his mode of living after he got there.

Mr. SMITH. Mr. President, I want to make myself clear. Those who enter hospitals do so as the result of examinations which show obvious disability.

Mr. SMOOT. This would not change that.

Mr. SMITH. But it is proposed to penalize the veteran because he is already afflicted, to add another affliction to his present affliction, by saying, "Because you are so badly off that you must go to a hospital, we will cut your pay in half."

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McKELLAR. Is not this in effect making the soldier pay his way at the hospital?

Mr. BARKLEY. Yes; in effect it is, because if he does not happen to have a wife or children dependent upon him, his compensation will be cut in two.

Mr. ROBINSON of Arkansas. Mr. President, if the Senator will yield, I want to suggest one thought. The purpose of the provision is sound, but this thought might be worthy of consideration. When a veteran enters a hospital his earning capacity is entirely suspended. No veteran in a hospital is expected to earn anything either for himself or for his dependents, and assuming that his hospitalization is imperative or necessary it does seem improper to provide that while his earning capacity is suspended his compensation shall be diminished. There is, I think, an unsound principle involved in the provision as presented. It would be entirely consistent to deny any veteran who insists on the Government providing for him in a hospital when he does not need hospitalization merely to get the advantage of that much increased compensation, but my thought is this, that most of the veterans who receive compensation are engaged, when they are not in the hospital, in some sort of lucrative business; they are lawyers, they are doctors, they are business men, they are farmers, and they earn something. When they go into a hospital that earning ceases. This provision would accentuate that condition by cutting off their compensation when, in a sense, they may need it worst, because, as the Senator from Michigan pointed out a moment ago, you can not take a man into a hospital and segregate him from the relationships in life so completely as to relieve him of the responsibilities which are upon him in the ordinary affairs of life.

Mr. BARKLEY. The Senator is undoubtedly right, and I thank him for calling attention to that phase of the matter.

Let us assume, for instance, that a man is now drawing compensation for a 50 per cent disability.

Mr. SMOOT. A single man.

Mr. BARKLEY. Yes; a single man.

Mr. SMOOT. That is the only class of veteran it would apply to.

Mr. BARKLEY. Let us assume he is drawing $50 a month. He is disabled one-half of his capacity, presumably, but he uses the other half to earn additional money, which supports him outside of the hospital.

Mr. ROBINSON of Arkansas. But the point is, Mr. President, the obligation to support himself may be only a small part of the duty that is on him as a citizen.

Mr. BARKLEY. I understand that.

Mr. ROBINSON of Arkansas. He may have activities which are just as necessary to carry on, and he carries them on through the compensation which he receives, and through the sums he earns by his own efforts.

Mr. BARKLEY. Absolutely. I am trying to illustrate what happens to a man in that situation. He is drawing $50 a month compensation for disability he incurred in the war. By his own efforts he is making $50 more, in private industry, whatever it is he is working at. He becomes disabled. He goes into a hospital, and of course that $50 he earns by his own labor is eliminated, and it is proposed that after he gets into the hospital the Government shall cut in half what he gets by way of compensation.

Mr. ROBINSON of Arkansas. He might find himself in this situation: He may have contracted obligations on the basis of his earning capacity and on the basis of his compensation. He might be attempting to pay for a home, or for anything else he might have found it necessary to purchase. When his earning capacity is cut off and his compensation is divided in two, it is made impossible for him to carry out the obligations he has assumed on a basis he had a right to rely upon.

Mr. BARKLEY. And it would be made almost economically impossible for disabled men to enter hospitals because of that situation.

Mr. ROBINSON of Arkansas. If the Senator will permit me, upon the finding of the hospital authorities that there was no longer need for a veteran's hospitalization, why it would not be better to make some provision like this effective rather than to penalize him, as has been said, for the misfortune which requires him to go into the hospital?

Mr. SMOOT. Mr. President, this applies only to a single man.

Mr. BARKLEY. I think the merits of this provision, if any, are so outweighed by the injustice that is likely to follow that the language ought to be eliminated.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Wisconsin.

The amendment was agreed to.

The amendment as amended was agreed to.

Mr. ASHURST. Mr. President, on behalf of my colleague and on my own behalf also I offer an amendment which is simply a rescript of section 5 of this bill as it passed the House.

Mr. SMOOT. Mr. President, the committee has no objection to that amendment.

Mr. GEORGE. Let it be reported.

The PRESIDENT pro tempore. The clerk will report the amendment.

The LEGISLATIVE CLERK. The Senators from Arizona propose to add at the end of the bill the following section:

SEC. —. Subject to existing leases, easements, and rights of way, title to military reservation described in "Temporary transfer of hospital property, Army General Hospital No. 20, Whipple Barracks, Ariz.," dated February 15, 1920, is hereby permanently transferred from the War Department to the Veterans' Administration.

The amendment was agreed to.

Mr. ASHURST. I ask to have printed in the RECORD a letter addressed to me.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 17, 1931.

Hon. HENRY F. ASHURST,
United States Senate, Washington, D. C.:

MY DEAR SENATOR ASHURST: With reference to your telephone call of this morning requesting certain statistics, the following information is given:

Bed capacity of United States veterans' hospital, Tucson, Ariz.	261
Number of patients	256
Bed capacity of United States veterans' hospital, Whipple, Ariz.	600
Number of patients	513

These figures are taken from the report of January 31, 1931. It is hoped that they give you the information you desire.

Very truly yours,

GEORGE E. IJAMS, *Director.*

Mr. HAYDEN. Mr. President, I ask leave to have inserted in the RECORD a letter addressed to the chairman of the Committee on Finance and a letter received by my colleague from the Secretary of War relating to the amendment just agreed to.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *February 18, 1931.*

Hon. REED SMOOT,
Chairman Committee on Finance, United States Senate.

DEAR SENATOR SMOOT: The House of Representatives, in section 5 of H. R. 16982, to provide additional hospital facilities for World War veterans, has transferred title to the old Whipple Barracks Military Reservation from the War Department to the Veterans' Administration. We urge the Senate to concur in this action by the House for the following reasons:

1. Whipple Barracks has been abandoned as an Army post for 20 years. In 1912 we were officially advised by the Secretary of War that, the Indian wars being over, Whipple possessed no strategic value, and that a garrison would never again be maintained there.

2. During the World War control over the vacant buildings and the reservation was transferred from the Quartermaster General to the Surgeon General, Army General Hospital No. 20 was established, and large expenditures for new construction were made.

3. In 1920 the hospital was transferred from the Army to the Public Health Service, and afterwards to the United States Veterans' Bureau.

4. After being continuously occupied for over 12 years as a hospital for the care of disabled veterans suffering from tuberculosis the buildings constructed during the World War are greatly in need of repair.

5. The Veterans Administration has properly adopted the policy of not making further improvements at hospitals which can be taken away from its control on demand of the War Department.

6. The War Department has no intention to again station troops at Whipple Barracks, and the Veterans' Administration fully realizes that there will be need for this hospital for many years to come. The only satisfactory way to meet the situation is to permanently transfer title to the reservation in the manner proposed by the House.

Yours very sincerely,

CARL HAYDEN,
HENRY F. ASHURST,
United States Senators.

WAR DEPARTMENT,
Washington, D. C., February 18, 1931.

Hon. HENRY F. ASHURST,
United States Senate.

DEAR SENAROR ASHURST: Referring further to your letter of February 14, 1931, the department is pleased to furnish you with the following brief history of Whipple Barracks, Ariz., in compliance with your request:

Fort Whipple was first occupied by troops on September 14, 1864, and became the headquarters of the District of Arizona. The site as selected was a small plateau half a mile above the town. The post originally consisted of a rectangular stockade, the wall of which formed the outer wall of the various buildings inclosed in it. The cavalry quarters, erected in 1867, for temporary shelter of scouting troops, were about 100 yards lower down and nearer the creek. The name of the post was changed to "Whipple Barracks, Prescott, Ariz.," by General Orders, No. 53, Adjutant General's Office, May 22, 1879. The order specified that the posts known as Fort Whipple and Prescott Barracks were thereafter to be considered as one establishment, named in honor of Bvt. Maj. Gen. A. W. Whipple, United States Army.

Whipple depot, as a part of Fort Whipple, known as the "Corral," was established May 18, 1866. The depot was constituted a separate command by Special Orders, No. 25, Department of Arizona, October 13, 1870, was broken up in February, 1871, and was reestablished by General Orders, No. 19, Department of Arizona, October 10, 1871. On April 27, 1872, an incendiary fire destroyed the corral, stables, storehouses, shops; in fact, everything belonging to the depot. The old site was then abandoned for the present one, and the depot rebuilt and completed in July, 1872. It is located on the right bank of Granite Creek, to the west and southwest of Whipple Barracks, to which post it is adjacent, and is distant about three-fourths of a mile easterly from the town of Prescott. It is no longer used as a supply depot for Arizona posts, and the buildings have been utilized for the purposes of the garrison.

By General Orders, No. 92, War Department, December 16, 1886, the headquarters Department of Arizona were transferred from Whipple Barracks, Ariz., to Los Angeles, Calif. It was ordered that the public quarters made vacant by the removal should be utilized as far as practicable in the shelter of troops in the Department of Arizona.

The post was directed to be discontinued by General Orders, No. 14, Adjutant General's Office, 1898, the portable property to be distributed, unserviceable sold, etc.

The post was regarrisoned April 29, 1902.

Upon the recommendation of the board of officers, approved by the Secretary of War, July 21, 1902, it was decided to begin the work of rehabilitating the post.

During the period from 1903 to 1906 permanent buildings of brick and concrete were erected to provide quarters for a single battalion post.

In 1911 the post was abandoned, placed in the hands of a caretaker, and the troops transferred to the Mexican border.

In 1918 Whipple Barracks was converted into a hospital for tubercular patients, to be known as United States Hospital No. 20.

February 15, 1920, Hospital No. 20 was closed and Whipple Barracks transferred to the Treasury Department for use of the Public Health Service.

April 29, 1922, by Executive order, Whipple Barracks was transferred by the Treasury Department to the Director, United States Veterans' Bureau, and designated as United States Veterans' Hospital No. 50.

Sincerely yours,

PATRICK J. HURLEY,
Secretary of War.

Mr. HALE. Mr. President, I offer an amendment to section 5 of the bill.

The PRESIDENT pro tempore. The amendment will be reported.

The LEGISLATIVE CLERK. On page 7, line 17, after the word "of," to strike out the words "the act approved May 16, 1930 (Public, No. 230, Seventy-first Congress)."

Mr. HALE. Mr. President, I would like to explain my amendment.

A little over a year ago there was a fire in Maine, at the Togus Soldiers' Home, and the hospital there was destroyed. Legislation was enacted last May providing for a new hospital at Togus, at an expense of $750,000. In the independent offices bill, the conference report on which has just been agreed to, there is an appropriation for that $750,000 to build a new hospital for the Togus home.

I can see no reason why that appropriation should be used as is provided in section 5, which states that the money authorized to be appropriated in these provisions, including the provision for the Togus hospital, may be used for extending facilities at the national homes designated therein, or at any other national home or hospital under the jurisdiction of the Veterans' Administration.

We have the money already appropriated to take care of our own institution. That is the only veterans' hospital in Maine, New Hampshire, or Vermont, and I can not see why Congress should provide that the money already appropriated for us should be diverted, if the authorities see fit, to some other place.

Mr. SMOOT. Mr. President, I took the question up with the Director of Veterans' Administration——

Mr. HALE. I will say to the Senator that I have talked to the Veterans' Bureau officials and I have had no explanation which in any way satisfies me.

Mr. BROCK rose.

Mr. SMOOT. Mr. President, the director told me this afternoon about 3 o'clock that he would write the Senator from Maine and the Senator from Tennessee also, since

there are public buildings provided for in Maine and Tennessee, in connection with the provision as to section 5, just referred to by the Senator from Maine.

The director told me that there was no question but that if this bill passed the appropriation would be used just as provided for in the act of May 16, 1930, and the act of June 21, 1930.

Mr. HALE. Then why do we need the legislation? Something might happen to General Hines and somebody else might take his place. We do not know whether his successor would follow the course indicated by General Hines or not.

Mr. SMOOT. It has already been changed.

Mr. HALE. What good does it do here? I can not understand that.

Mr. SMOOT. It provides:

The Administrator of Veterans' Affairs, with the approval of the President, is further authorized to use all or any part of the money authorized to be appropriated by the provisions of the act approved May 16, 1930 (Public, No. 230, 71st Cong.).

Mr. HALE. They can use it in any way they see fit, not in the way Congress has indicated.

Mr. SMOOT. How could you say that, after the authorization is made, it is going to be used for any other purpose?

Mr. HALE. Why is it necessary to put the provision in here?

Mr. SMOOT. I do not care whether it goes in or not.

Mr. HALE. Very well. Will the Senator accept the amendment.

Mr. SMOOT. Yes; I accept it.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Maine.

Mr. FLETCHER. What is the amendment?

Mr. SMOOT. It is to strike out the provision referring to the act of May 16, 1930, line 16, and the act of June 21, 1930, Public, No. 405.

Mr. REED. Mr. President, will the Senator yield?

Mr. SMOOT. It refers to a hospital provided for in Maine and one provided for in Tennessee.

Mr. REED. Mr. President, my information about this was that the soldiers' home at Togus, Me., which was burned down, was not considered to be in the most advantageous position in that neighborhood. One of the purposes of inserting section 5 was to enable the Administrator of Veterans' Affairs to move it to a point closer to the sea, but still in Maine and still in the same general vicinity. I do not think the section is very important, but if we are going to strike out any part of it we had better take out the whole section.

Mr. FLETCHER. Would that take out the authorization for the establishment of a branch of the old soldiers' home in one of the Southern States?

Mr. REED. No; it would not. That will continue to be the law.

Mr. FLETCHER. And the appropriation made to take care of that under the law will still apply?

Mr. REED. My understanding is that the appropriation will take care of one of the four soldiers' homes on the list which was submitted to us.

Mr. FLETCHER. It refers to extending the facilities of the national homes designated therein, and so forth.

Mr. SMOOT. The same principle applies to that that applies to the hospitals.

Mr. REED. We are not proposing to take money that is not already appropriated for particular homes and give it to any other institution. I think it is taken care of by the breakdown of $20,000,000 item carried in section 1.

Mr. FLETCHER. I see no objection to section 5 as it stands.

Mr. SMOOT. I do not either, but if the Senator from Maine wants it taken out and wants to run the risk, let it go out.

Mr. COPELAND. Mr. President, may I inquire of the Senator from Utah what it is that the Senator from Maine proposes to strike out?

Mr. SMOOT. Section 5, on page 7, of the bill. If he wants to take it out, I say let it go out.

Mr. COPELAND. This is the matter about which I want to be certain. I do not want anything taken out of the bill so far as I am concerned that leaves to the board the location of the hospitals.

Mr. SMOOT. That provision has nothing to do with the section that the Senator from Maine proposes to strike out. He has reference to section 5, on page 7.

Mr. COPELAND. I think I have no objection.

The PRESIDENT pro tempore. Without objection, the amendment proposed by the Senator from Maine——

Mr. SMOOT. That is, that the whole of section 5 shall go out?

Mr. FLETCHER. Let us vote on it.

The PRESIDENT pro tempore. The amendment proposed by the Senator from Maine was merely to strike out about two lines.

Mr. SMOOT. I understood the proposition now to be to strike out the whole of section 5.

Mr. WATSON. Where does that leave the authority to locate the hospitals?

Mr. SMOOT. It changes nothing in that respect. It changes nothing with the exception of the authorization for a hospital in Maine and a hospital in Tennessee. If the two Senators from those States want the provision to go out, let it go out.

Mr. SMITH. May I ask the Senator from Utah whether under the terms of section 5 these particular points are not in better shape than if the section goes out?

Mr. SMOOT. I tried to tell the Senators from Maine and Tennessee that, but they do not see it, so let the section go out.

Mr. SMITH. I think they misunderstand the purport of it.

Mr. COUZENS. Mr. President, I think the Senator from Maine has a wrong understanding about it. I think the Senator from Utah has explained it satisfactorily. Where there is not any money allocated, it will be used at the discretion of the board, but where the money has been allocated it will not be disturbed.

If we are going to itemize every single proposition as the House did, there will be no end to the details of the bill. The bill ought to stand as it is, because it is perfectly clear that they are going to take care of hospitals which they have promised to take care of.

Mr. SMOOT. That is why the amount of the appropriation was increased. There is no hospital that is provided for that will not be covered by the appropriation.

The PRESIDENT pro tempore. Does the Senator from Maine withdraw his amendment?

Mr. HALE. No; I do not.

The PRESIDENT pro tempore. The Chair understands the amendment of the Senator from Maine now to be to strike out the whole of section 5.

Mr. HALE. No. I leave my amendment as it was originally offered.

Mr. SMOOT. The whole section refers to the two hospitals, one in Maine and one in Tennessee. Why have anything left in there as that is all it applies to?

Mr. HALE. There is a third proposition in there.

Mr. SMOOT. Not for a hospital.

Mr. COUZENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McNARY in the chair). The absence of a quorum being suggested, the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Connally	Goldsborough	Jones
Barkley	Copeland	Gould	Kendrick
Bingham	Couzens	Hale	Keyes
Black	Cutting	Harris	King
Blaine	Dale	Harrison	La Follette
Borah	Davis	Hastings	McGill
Bratton	Fess	Hatfield	McKellar
Brock	Fletcher	Hawes	McNary
Brookhart	Frazier	Hayden	Morrison
Broussard	George	Hebert	Morrow
Bulkley	Gillett	Heflin	Moses
Capper	Glenn	Howell	Norbeck
Carey	Goff	Johnson	Norris

Nye	Robinson, Ark.	Steiwer	Wagner
Oddie	Robinson, Ind.	Stephens	Walcott
Partridge	Schall	Swanson	Walsh, Mass.
Patterson	Sheppard	Thomas, Idaho	Waterman
Phipps	Shipstead	Thomas, Okla.	Watson
Pittman	Shortridge	Trammell	Wheeler
Ransdell	Smith	Tydings	Williamson
Reed	Smoot	Vandenberg	

The PRESIDENT pro tempore. Eighty-three Senators having answered to their names, a quorum is present. The question is on agreeing to the amendment proposed by the Senator from Maine [Mr. HALE] to the amendment proposed by the committee.

Mr. GEORGE. Mr. President, may the amendment to the amendment be stated?

The PRESIDENT pro tempore. The amendment will be reported for the information of the Senate.

The LEGISLATIVE CLERK. On page 7, in line 17, strike out the words "the act approved May 16, 1930 (Public, No. 230, Seventy-first Congress)."

The PRESIDENT pro tempore. The question is on the amendment of the Senator from Maine.

The amendment to the amendment was rejected.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the committee.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

TRUCKEE RIVER RESERVOIR, CALIF.

Mr. ODDIE. Mr. President, on the last occasion when the calendar was called the bill (S. 5172) for the construction of a reservoir in the Little Truckee River, Calif., and for such dams and other improvements as may be necessary to impound the waters of Webber, Independence, and Donner Lakes, and for the further development of the water resources of the Truckee River, was objected to by the Senator from Washington [Mr. JONES]. Since then the Secretary of the Interior has written the Senator from Washington a letter and I understand the Senator has withdrawn his objection. I would like to have the bill considered at this time and action taken upon it.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Nevada?

Mr. ODDIE. The junior Senator from Utah [Mr. KING] objected also at the time. I spoke to him about it and I understand that he is not going to object further to the bill.

Mr. SMOOT. O Mr. President, he asked me to object.

Mr. ROBINSON of Arkansas. Mr. President, may I ask what is the bill?

Mr. ODDIE. It is Calendar No. 1468, a bill providing for the construction of a reservoir on the Little Truckee River, in California.

The PRESIDENT pro tempore. Is there objection?

Mr. SMOOT. Mr. President, let me say to the Senator from Nevada that before my colleague [Mr. KING] left the Chamber this afternoon because he was not feeling well he came to my desk and asked me to object if the bill was called up this afternoon.

The PRESIDENT pro tempore. Objection is made.

LEO N. LEVI MEMORIAL HOSPITAL

Mr. ROBINSON of Arkansas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 1735, the bill (S. 6106) to authorize the Leo N. Levi Memorial Hospital Association to mortgage its property in Hot Springs National Park. If it requires prolonged discussion I shall withdraw the request.

This is a bill which would authorize the Leo N. Levi Memorial Hospital Association to mortgage certain property located on lands which by act of Congress it is permitted to use, the lands belonging to the Government of the United States. The bill is favorably reported by the Department of the Interior. It is necessary in order to enable the hospital to carry on its activities.

While the hospital is maintained by Jewish charities, its services are available for persons of all races and nationalities. It is a wonderfully effective and valuable institution. I ask unanimous consent for the consideration of the bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill was read, considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Leo N. Levi Memorial Hospital Association is hereby authorized, with the approval of the Secretary of the Interior, to execute mortgages upon its rights in and properties upon lots Nos. 1, 2, 3, and 4 in block No. 114 in the city of Hot Springs, Ark., and such mortgages, together with the approval of said Secretary of the Interior, may be filed for record in the office of the Secretary of the Interior, and when so recorded shall have all the effect of a public record.

REGULATION OF BUSSES AND TRUCKS IN INTERSTATE TRANSPORTATION

Mr. FESS. From the Committee on Interstate Commerce I report back favorably, with amendments to the preamble, the joint resolution (S. J. Res. 250) directing an investigation and study of transportation by the various agencies engaged in interstate commerce.

Mr. President, regarding the joint resolution, I should like to have the attention of the Senate for just a moment. There has been a great deal of interest in proposed legislation affecting the regulation of busses and trucks in interstate transportation. We found that we could not get any action upon such a measure at the present session, and there is a desire on the part of the committee to have the Interstate Commerce Commission during the summer conduct an investigation and submit a report to the Senate by the 1st of December next as to whether there should be any regulation of transportation agencies outside of railroads.

I have polled the entire committee, and the committee unanimously favored reporting the joint resolution. I ask unanimous consent for its immediate consideration.

Mr. ROBINSON of Arkansas. What power will the Interstate Commerce Commission exercise?

Mr. FESS. None except to collect facts.

Mr. COUZENS. May the joint resolution be read, Mr. President?

Mr. LA FOLLETTE. Mr. President, if the Senator from Ohio will yield to me, I suggest that he allow the joint resolution to go over until Monday. I think I have an amendment which I desire to offer to the joint resolution. I will assist the Senator in getting it up, if I can, on Monday next.

Mr. FESS. Very well; let it go over until Monday.

The PRESIDENT pro tempore. Objection is made, and the joint resolution will go over until Monday.

EMBARGO ON OIL IMPORTATIONS

Mr. CAPPER. Mr. President, on February 12 last there was a very able editorial printed in the St. Louis Globe Democrat entitled "A Flooded-Market Carburetor," having to do with a proposed embargo on the importation of foreign oil. I ask unanimous consent that it may be printed in the CONGRESSIONAL RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the St. Louis (Mo.) Globe Democrat, February 12, 1931]

A FLOODED-MARKET CARBURETOR

Either in or outside of Washington not much impression was made by the demand of western oil interests for a protective duty on petroleum.

This industry, which had its origin in the United States, is no infant industry entitled to Government interposition against longer established, better organized competitors abroad. The Hawley bill included some strange provisions, but this one was excluded.

Of a different character, however, is the oil bill introduced by Senator CAPPER. The overproduction that has brought stagnation to so many lines of business is, perhaps, relatively more serious in the oil industry than in the average industry. We have no means of knowing to what figures the excess of supply over demand would now mount but for measures applied with some success for retarding the development of new fields and limiting the flow in the chief producing areas. To keep the great flood of new oil below a certain maximum is the object of a statute in Oklahoma and of voluntary cooperative agreements in other places.

The Capper bill would fix a similar maximum on imports of crude oil and prohibits all imports of gasoline. Whether or not

the 16,000,000 barrels a year named in the bill is a reasonable figure depends on a showing of fact. There may be reasons why it should be fixed at a few millions more or even a few millions less. Why, however, should restrictions made operative at no small effort and bearing rather heavily on small producers be imposed on the domestic supply if foreign producers are free to send here any quantities they may desire?

That a limit, which it is professed is only to be temporary, may when once applied become permanent, is one thing to be feared, but relief at both sources of supply seems to be needed for an overstocked market. If it is wise to conserve our own oil against future demands, it will be wise also to conserve the oil in other near-by territory.

MONUMENT TO STEPHEN A. DOUGLAS—ADDRESS BY CORNELIUS J. DOYLE

Mr. GLENN. Mr. President, I ask unanimous consent that there may be printed in the RECORD as a part of my remarks an address on the life of a former Member of this body, a distinguished Democrat, perhaps the most distinguished Democrat who was ever a citizen of the State of Illinois. I refer to Stephen A. Douglas. The address was delivered by Mr. Cornelius J. Doyle, former secretary of state of Illinois, on the occasion of the dedication of the monument erected by Illinois to Stephen A. Douglas at Winchester, Ill., on July 5, 1930.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

[From Journal Illinois State Historical Society]

ADDRESS OF CORNELIUS J. DOYLE, FORMER SECRETARY OF STATE OF ILLINOIS, AT THE DEDICATION CEREMONIES OF THE MONUMENT ERECTED BY ILLINOIS TO STEPHEN A. DOUGLAS, AT WINCHESTER, ILL., JULY 5, 1930

It was Oliver Cromwell who said to a portrait painter: "Paint me as I am; leave out not one wrinkle, scar, or blemish, at your peril." For him, who is privileged to deliver an address of historical character, it is as difficult to be restrained and factual as for one who undertakes to write the biography of his ideal character. The life of Stephen A. Douglas requires no fulsome eulogy nor extravagant panegyric; rather, it is far more appropriate to attempt an appraisal of his true character and an estimate of the place in history of the man in whose memory we have come to memorialize to-day.

The spring of 1813—April: In the granite hills of Vermont, the peaceful village of Brandon is unmelting, winter has loosened his hoary grip, and the verdure of nature again peeps through the hard and rocky soil of a rough land. On the broad prairies of Illinois, in the same April of 1813, the hut village of Winchester struggles in the gumbo of the spring thaw—a pioneer settlement of hardy adventurers just above the lowlands of the Illinois, with scarcely 50 families, and the hard existence of the frontiersman.

Between the old village of the Green Mountain State and the new town of the Illinois prairie are the impassable, the insurmountable mountain ranges, deep rivers, long vacant distances, hunger, fever, fatigue, futility itself. Had Kipling been writing then, he might have penned that couplet, so often quoted to emphasize the racial barriers of Occident and Orient, and applied it to the physical barriers of the American continent.

"East is East and West is West,
And never the twain shall meet."

Brandon is Orient—old, fixed, habitated, placed, cultured, contented, satisfied, philosophical, the seat of an academy, the home of men of learning. Winchester is Occident—new, shifting, restless, ambitious, raw, irritable, bereft of schools and scholars, fighting pests and disease, enduring hardships, building a new civilization. The two, it seemed, ne'er shall meet.

April 23, 1813: Brandon still sleeps fitfully amidst the echoes of the War of 1812. The Indian has returned to his camp, pledged to peace. The effort of England to recapture her lost American possession has left bitterness and hatreds. The reverberations of the revolutions still rumble through the former Colonies, and the contentions and controversies of the formative period of our Government have not eased. Among the people of April, 1813, in Brandon, are heroes of the War of Independence, men who have survived to tell its horrows, to paint its romance, to delight in its experiences, and to revel in its glories.

There is in the Brandon of that day, a respected citizen, a man of culture and learning, a physician who ministers to his neighbors with all the skill the medical profession knows in his times. Happiness and cheer reign in Dr. Stephen A. Douglas's home—an heir, a boy, has arrived, and the Douglas household and all Brandon rejoice. The child is called Stephen A., after his father. An event in Brandon; Winchester hears it not. Hearing it, Winchester would not have given heed. Destiny had not yet imparted her secret to the hut dwellers of the mud prairies.

The babe has ancestry. The Douglases trace back to Scotland, to 1610. The first of the line to settle on colonial soil is William D., whose son, William, is born in Boston in March, 1645. The infant's paternal grandfather is Benajah Douglas, a farmer near Brandon. The mother is proud of her forbears, associates of Roger Williams in his Rhode Island colony. Both families have been imbued with the spirit and zeal of colonists. They have traveled from place to place, leaving deep impression wherever they have stopped. The force that was to send this babe, grown to youth, with irresistible feet, into the Occident of the American world came with him into life from the spirit and the will of his father and mother and their ancestors.

The years pass. Brandon languishes in its peace and contentment. Winchester adds to its population of few families and struggles with the elements that hate to be disturbed. The boy grows with ambition awakening in his breast. The mountains are his companions; vast, vacant spaces, he fills with dreamful fancies. His father passes on, leaving upon the boy's shoulders the responsibility for mother and sister, a responsibility he does not shirk.

He follows the plow through the isolated, lonely fields. He is happy, wholesome, wistful, determined. He never complains, but in his heart is forming a resolution—an education first; that's clear; then a vague picture he can not understand, but it does not include Vermont and her granite hills. It dimly outlines a new country and opportunities. Horses pull his plow by instinct. He dreams at its handles. There is working upon him a force which some call foreordination. Some day it is Divinity that guides our steps; some pronounce it fate or destiny.

At 15 he wishes to go to the academy at Brandon. An uncle who had promised him help suddenly finds himself with a bride. He can do nothing but advise. Young Douglas listens attentively as his uncle minimizes education and the professions. Farm life means security against want and hunger; its awards are sure and regular. Better stay with the farm, he tells his nephew. The nephew promptly ignores an advice that is contrary to his predetermined course.

Fourteen miles the undersized, slender, pallid-faced lad tramps to Middlebury, apprentices himself to a cabinetmaker, and earns money—money to pay his tuition in the academy. This experience is brief and ends in disappointment. When his master insists upon his performing menial household duties, Douglas quits and tramps back to Brandon, there to apprentice again as a cabinetmaker.

Now the primal instinct in his nature begins to assert itself unmistakably. He is controversial. He loves to debate; he is skillful at it. When more vigor is demanded than mere words will supply, he adds the strength of his fists. National politics are absorbing him. Jackson is the issue throughout the land, and Douglas admires the rugged character and unconventional methods that already have distinguished him.

Next, his first important step in the achievement of ambition—with enough money earned, he enters the academy. He is brilliant but not studious. Douglas does not distinguish himself as a writer, nor as a thinker in classroom routine. In debate he gains new laurels. Eighteen hundred and thirty and Douglas is 17. He is meditative; great questions of state concern him and strike deep into the foundations of his life.

His only sister marries Julius N. Granger and leaves the old home to live in Ontario County, N. Y. His ties to the place of his birth are weakened. At their Ontario home the bride's smile and intellectual endowments please her father-in-law and inspire him with a secret desire to know her mother. Suddenly he disappears from home. As suddenly he reappears and with him as his bride the widow of Dr. Stephen A. Douglas, the mother of his son's wife. Her boy comes with them.

Gehazi Granger is rich and loves the promising lad and puts him in the famous academy at Canandaigua. Necessity no longer prods Douglas; money is easy. Diligence in classroom lets down. He seldom writes, and often he is indifferent. But all the while interest and knowledge in politics increase and his fame as a debater spreads. The Jackson issue has grown and holds the country in its clutches. Douglas has many opportunities to defend his political idol.

January 1, 1833, he leaves school to study law with a local attorney. Six months later, he abandons this plan and is off on the supreme adventure of his career, the one that is to lead to success and commanding position in the world itself. "When shall we expect you to come home to visit us, my son?" asks the mother as she bids him good-by. And the boy replies without emotion: "On my way to Congress, mother." The books describe no heart-rending scenes as mother and son part. Douglas is determined; the mother love and mother instinct sense an imperative command in his soul. She interposes no obstacles and represses her tears. The sacrifice is hers to make and to bear. The boy can not resist a prompting that has become the overmastering influence in his life.

Can any of us realize what it meant in those days for son and mother to part in this manner, one to go into that vast, dark, hidden, and forbidding region beyond the mountains, the other to remain, Promethean bound, to the isolated granite hills? "When shall we expect you to visit us, my son?" It's all so indefinite, so vague, so mysterious. "On my way to Congress, mother." That, too, is all so indefinite, so vague, so mysterious, for he is only 20, and Congress is for the old, the experienced, and the fortunate.

Might she not visit him in his new home? No thought of that for East is East and West is West, and between them the barrier that her son may scale, but she? Never. Is there one among us who can understand, or who possesses the imagination to visualize what it means to be without transportation. What stagnation, in living and thinking, to be isolated and unable to move beyond the strength of one's legs. Was ever Prometheus more thoroughly bound to his rock than those of our ancestors who lived without boat or locomotive or open road or automobile or airplane? Can any of us conceive what courage it took to break

away from that isolation, and with no aid, except that of muscular energy, to plunge into the wilderness, seeking a new destination, not yet even marked upon a map?

So Douglas breaks away from home ties, from the affectionate hold the birthplace has upon him, from the love of mother and of sister. In his own eyes his course is not yet clear; he has fixed no destination for his feet. Only one thing is settled; he is going, and he will not return until he carries with him a certificate to a seat in Congress. It is of record that he tells his roommate, of whom he is fond, that his goal is the United States Senate. We shall now see the undisguised hand of destiny. She has planted the impulse; she has fanned it into heat. She drives him, he knows not wither. He has broken his chains, and now she sets along the way, her sentries to direct him.

His first stop is Cleveland, to tarry a few days with relatives. A lawyer induces him to remain a year. Fever strikes him down and it is October before he may leave his room. Certain traditions about fever prevail and are accepted even by doctors. His doctor advises him not to return home nor to remain in Cleveland. The advice fits the Douglas plan. By stream and road he reaches Portsmouth; he pushes on by boat to Cincinnati. No work; he arrives by boat at Louisville and still no work. The new country seems unfriendly.

A stranger whispers the magic word, "Jacksonville," named after his idol, "Old Hickory," on the Illinois prairies. He bears a letter of introduction to Maj. Murray McConnel. On the boat from Louisville to St. Louis he meets Samuel Wolcott, son of Elihu Wolcott, who lives in Jacksonville. The young man advises him to go there. He meets also Senator Linn and Governor Miller, of Missouri. Politics is the subject of discussion as the primitive old boat ploughs through the Ohio. At St. Louis he finds Edward Bates, great lawyer of his day, who tries to persuade Douglas to read law in his office. He does remain for a brief period and then resumes his journey to Jacksonville.

In all history there is no more dramatic story of the magnet and the man, and the triumph of the magnet. He crosses the Mississippi at Alton, and by stage reaches Jacksonville in November, 1833, five months after his farewell with his mother. In his pocket is $1.25, and he still lacks five months of his majority. Douglas is youth and Illinois is only 15 years old. The affinity of years makes them one. He finds no employment in the city that has lured him. He sells his books to gain food. Major McConnel advances him money and directs him to Pekin to open an office. He walks to Meredosia to take the boat. He waits a week and then the slow-moving news that it has blown up at Alton and there will be no boat until spring.

His bills paid, 50 cents remain. A farmer tells him it might be possible to organize a school at Exeter, near by. Douglas rides home with the farmer, occupying a place behind him upon the back of a faithful old horse. Not one pupil can be found for the school. Even in those days news has a way of getting through the lines. He hears of a chance at Winchester and to Winchester he walks in the nighttime, arriving here at dawn. It is a cabin town on this fertile, now conquered prairie—not the prairie you and I know, but a bleak, wind-swept, unhospitable prairie, tough and hard and unyielding, jealous of its majestic loneliness and determined to resist invasion. It is filled with fever and pestilence, and its advanced lines of defense are pests and parasites that breed disease and death. We have little conception of the magnitude and the seriousness of the expression "breaking the prairie sod." How difficult it was! How dangerous!

Here Douglas finds friends. They succor him. The bachelor, E. G. Miner, takes him in to his store to sleep and eat. The innkeeper lends a hand. Citizens help him organize a school with 40 pupils at $3 per quarter. He picks up odd jobs. He officiates as assistant clerk at an auction and makes $2.50 in three days, but, more valuable, creates sympathy by his brilliant mind and winning personality. At the end of the school term he has $120 in cash.

March, 1834, and Douglas leaves Winchester and obeys the lodestone of Jacksonville, there to begin one of the most remarkable careers of which we have record in human annals. March 4, 1834, seven weeks before his majority, he is licensed to practice law. The door to fame and fortune stands open. East is no longer East nor West West. The twain have met and the scene is set for the most thrilling drama Illinois ever has witnessed.

His hero, Jackson, demands his first attention. Originally a Jackson country, Morgan County has been alienated by the results of some of Jackson's policies, and his friends have lost confidence. There are 25 members of the bar, young Douglas the only one to speak for Jackson. Douglas is unafraid. He resolves on a bold stroke which the remaining few Jackson leaders oppose. He calls a public meeting to indorse Jackson.

The resolutions are opposed by Josiah Lamborn, known throughout Illinois as its most vituperative orator, and greatest master of invective, whose victriolic utterances had struck terror to the hearts of those whom he opposed in court and forum. Young Douglas leaps to a chair to reply to the older and experienced lawyer. The first few words of the young champion of Jackson quiets the audience. His heart and brain aflame with patriotic zeal and devotion to his ideal, he turns a hostile audience into one of cheering approval. Young Douglas is triumphant. He reestablishes confidence in his party and reelevates Jackson to his lost estate. He is carried on the shoulders of admirers around the square at Jacksonville. He receives the title of "Little Giant."

The fame of this young orator spreads over Illinois. His services are sought in all sections of the State in the succeeding campaign. His continued success commands attention in other States. The news of the remarkable effectiveness of the young orator reaches President Jackson. He invites young Douglas to visit him at the Hermitage, and the old warrior receives him with unrestrained admiration and affection.

Great occasions in the midst of a multitude, in an arena of excitement, have made sudden national reputations. Such scenes and opportunities were those of William Jennings Bryan at Chicago, Gen. James A. Garfield and Col. Robert G. Ingersoll at Cincinnati; but no place is there recorded where one speech made in one small locality was the means by which a speaker passed almost immediately into State and national prominence as did Douglas at Jacksonville.

The ninth general assembly presents to the world, among its members, Lincoln and Douglas, each in his first public office. It elects Douglas State's attorney for the district against the distinguished John J. Hardin, for whom Lincoln votes. His success as State's attorney makes it possible for him to secure the office of secretary of state in 1840. From the office of secretary of state, he is yet to become in 1841 to 1843 the youngest member ever elected to the supreme bench in Illinois, which he resigned upon his election to Congress as a Democrat.

Douglas goes about preaching his political doctrine and making friends, neglecting his law practice. He organizes the first Democratic State convention in Illinois and nominates electors pledged to vote for Van Buren and Johnson.

His first legislative experience brings him into contact with unreasonable and extravagant public demand for internal improvements. A man who has had his experience of hardship of travel might well be excused if he easily succumbed to any program that promised easier and more rapid transportation. Douglas fights the extravagances of the time, but unsuccessfully. He offers to the assembly a practical program of internal improvements, including the completion of the Illinois & Michigan Canal, a railroad from its western terminus to the mouth of the Ohio River, a railroad from Quincy to the east State line, the improvement for navigation of the Wabash and Illinois Rivers, and surveys and estimates on such other works as might be considered of general utility. But this plan is defeated, and Illinois plunges into days of dark debt and unrealized dreams.

Immense numbers of applications for special charters of all kinds and descriptions are presented to the legislature. Douglas unsuccessfully attempts to arrest this whole system of legislation as unjust, impolitic, and unwise, and failing in this, he saw to it that there was inserted in each special charter a clause: "Reserving the right to alter, amend, or appeal this act whenever the public good shall require it."

Later in his life it becomes his opportunity to use his influence in the United States Senate to aid the Illinois Central Railroad project, in which he had full confidence. An investigation of the records indicates quite clearly that to Douglas belongs the credit for the aid that Congress gave this public improvement, making it possible and exerting upon later history of the State and the Mississippi Valley a far greater and more determinative influence and benefit than any of us understand.

To his political achievements and to his sanity and probity in handling internal improvements and to his Illinois Central success must be added his interest in the great need of education and chief beneficence, the founding of the University of Chicago. Douglas acquired considerable real estate on the south side of Chicago near what is now Thirty-second Street and the lake. To the Presbyterians he offers 10 acres of it for an educational institution. They do not accept it. The Baptists undertook it. After many years of vicissitudes they complete a marble building and matriculate its first students. But hard times and unfortunate management end in mortgages and foreclosures and the sale of the property.

The university idea that Douglas has conceived and crystallized and has done so much to promote seems to be dead and cold in its grave. But an idea never dies. The seed he has planted revives and pushes through. To-day it flourishes in that magnificent institution on Chicago's midway, another monument to Douglas's far-sighted judgment and his broad, liberal viewpoint. In due course it is to be hoped that outstanding recognition by the University of Chicago will honor the name of Stephen A. Douglas in a deserving and conspicuous manner.

Nor was the vision of Douglas confined to the limits of Illinois and the Mississippi Valley; it embraced the then almost boundless sweep to and over and beyond the mighty Rocky Mountain region and on to the Pacific Ocean. Douglas thus early visualized the possibilities of what to-day millions of our citizens enjoy.

Out of these legislative experiences, as well as in the courts and the social events of the village of Springfield, destiny had brought together two men who were to become the principal actors in the greatest drama in the political life of the Nation; of these figures—one, straight but not tall, of dignity, great charm of person and of manner, with hair flung gracefully off of a high, fine brow, with voice and gesture, poise and intellectual force harmonizing in graceful and effective, eloquent, and persuasive charm; the other, a tall, ungainly, uncouth figure, whose appearance generally carried with it nothing impressive of dignity—by the side of the polished, immaculate, and scrupulously dressed Douglas; Lincoln, slow and halting of speech, a voice at times high pitched and unpleasant—each the antithesis of the other, but both most able and well matched in presenting their views with telling effect upon their audiences; each with wholesome respect for the ability of the other. These two great men were destined to oppose each other until the tragic hour in the Nation's history when they stood as one for the cause of the Union.

The recital of the birth of the American Republic is one that thrills the heart and quickens the pulse of him who reads, and

the story of the struggle of the men of the Revolution gives to each American a solid historical platform on which to boldly stand. As there are spots on the sun, and the microscope reveals flaws in burnished steel, so there was a spot and a flaw upon the early record of this land; but with this exception—no other form of government on earth has been so blessed under a written constitution as our own beloved country. History records that our Constitution excels even the idealistic one brought forth by the Athenian minds of long ago. True, one unfortunate factor was a part of our Government from the beginning—the question of slavery. It had its genesis in the commercialism of African slave trade, first made possible by the New England States, and later to be transferred on account of climatic conditions and the cultivation of cotton to the States of the South. In the beginning it was tolerated, with the thought of the fathers that it would soon die. It was destined, however, to bring its terrible harvest of dissension and disaster before final determination in the greatest internecine war since man has gone to war with man.

It involved that greater question of the rights of the States. "State rights" was to become the greatest subject of debate ever held in legislative halls at any time in any place throughout the world. Those devoted to the rights of the States recalled again and again the obvious truth that all power in the beginning was in the several States, and the Constitution adopted at Philadelphia gave to the Federal Government only such powers as the several States had granted to the Union, retaining to the States all powers not granted.

When we recall the masterful arguments made by Jefferson, Patrick Henry, Jackson, and Douglas in defense of the rights of the States, we doubt not that they and others sounded a note of prophetic warning that might be well applied to the fear of later tendencies of Federal encroachment. All were in agreement that a strong centralized government was necessary to take the place of the original Articles of Confederation, but even these men could not foresee the continuing tendency toward the vanishing powers of the several States.

With the powerful presentations made by Stephen A. Douglas in defense of the rights of the States, the question of human slavery was incidental. He believed with all his great heart and mind and soul that the perpetuity of this Nation rested upon the preservation of the rights of the several States working coordinately with the Federal Union, the States exercising fully those powers not granted to the Union, and the Federal Government limiting its exercise of power to those specifically granted within the limits of the Constitution. He recognized slavery as a condition preceding the formation of the Government, known at the time of the adoption of the Constitution, and which it did not prohibit.

He spoke directly to the rights of the people within a State to determine within themselves whether or not this unfortunate condition should continue. We have but to turn to the first inaugural address of President Lincoln to find the assurance that slavery, where it then existed, was not to be disturbed. To the peace convention he said, "Write the word 'Union.'" We find the counterpart of that assurance in the first inaugural address of War Governor Yates, of Illinois—a masterful, patriotic document—when he said there was no disposition on the part of the Republican Party to disturb the fugitive slave law.

As the extent and intensity of the war progressed, President Lincoln admonished the States of the South that, if the conflict did not cease against Federal authority, acting under his war-time power as Chief Magistrate, he would issue a proclamation of emancipation. The war did not cease, the emancipation proclamation was issued, and as the last gun was fired in the great War between the States, the question of human slavery, which had troubled our Nation from its birth, was forever determined.

The culmination of events which occurred in 1860 by the election of President Lincoln could not longer be postponed. Ten years previous to this time Stephen A. Douglas was in the midst of the most heated and bitter forensic debate that ever has taken place in the history of any government. The country was in breathless suspense, apprehensive of a war crisis in 1850.

Henry Clay, the great pacifier, then enfeebled and soon to die, was physically supported into the Halls of the Senate Chamber in 1850 to deliver his last pathetic and powerful appeal against the threatened disruption of the Union. He said: "I have never before addressed any assembly so pressed, so appalled, so anxious." Jefferson Davis, as a Senator, concluded his argument with the statement: "I see nothing short of conquest on the one side or submission on the other." Daniel Webster arose in the same forum to deliver the greatest speech of his career, as he pleaded in that earlier great crisis for the preservation of the Union. These debates thrilled the crowds that were able to gain admittance to the Capitol, and the country was never before in such suspense.

The question in the minds of all was, Could these conflicting theories between State rights and strong Federal Government be composed, the Constitution preserved, and the Union saved? It was to be the last appearance of three of the greatest figures in American statesmanship—Clay, Calhoun, and Webster. Outstanding as were these three intellectual giants, they did not greatly overshadow Douglas, Davis, Chase, and Seward. For 17 days the House could not elect a Speaker. The records show that disunion was advocated not alone in 1850 by the men of the South. Senator Hale, of New Hampshire, presented a petition praying for immediate and peaceful dissolution of the Union.

The result of sectional war was postponed 10 years by the reporting of the fugitive slave bill which finally became law. The immediate peril of disunion had temporarily passed. The contribution of Webster to this conclusion was to end all hope of his future political preferment. He was fully conscious that such would be the case. Webster, by advocating this law was misunderstood, his motives impugned, and he found himself execrated, as was Douglas for espousing the principle embodied in the fugitive slave law, although, like Douglas, he pleaded throughout in masterly argument for the cause of the Union. It was in this exciting scene and under this stress of circumstances that Douglas announced that only by friendly legislation and local favor and the choice of the people within the State, could slavery exist in a territory or anywhere else.

No one could see that eight years later, in the great debates between Lincoln and Douglas, at which the attention of the country was focused, that Lincoln at Freeport, was to ask Douglas a question based upon this same principle which gave to Lincoln the advantage to be gained by asking this particular question in a State where sentiment was manifestly and overwhelmingly against the encroachment of the system of human slavery.

In the calm light of history, the position of Stephen A. Douglas, in defense of the rights of the people of the State to determine questions vouchsafed the States by the Constitution, was and is sound, and from this principle he could not be swerved, even though at the cost of an ambition to achieve the highest office in the gift of the American people. This doctrine, which became known as popular sovereignty, was particularly championed and defended by Douglas. This issue was to become the subject of the series of great debates between Lincoln and Douglas, and partisan indeed would be he who would attempt to award supremacy of presentation as between these two participants in those historical debates.

Running through the tempestuous political discussions of that day and time was the charge often made that Stephen A. Douglas lashed himself to the mast of expediency, with the one objective of the Presidency, and that while everywhere his outstanding ability was recognized, he followed the trade winds looking for popular approval of those in high command of his party and especially in his overtures to the South.

May we again recall two conspicuous situations which in the light of history refute the charge that the mind of Douglas turned to expediency at the sacrifice of principle. Douglas championed popular sovereignty with full knowledge of its unpopularity in Illinois, and by so doing his keen political mind knew full well that such a position might work to his utter political destruction in Illinois. His colleague, Senator Shields, went down to defeat in his candidacy for reelection under the avalanche of this disapproval, and only the force and magnetic and personal brilliancy of Douglas made possible his own return to the United States Senate in his contest with Lincoln.

Again, when the Democratic national administration, under President Buchanan and other outstanding leaders of the party, especially of the South, espoused the plan to obtain the admission of Kansas on a proslavery constitution that had not been properly submitted to the people of the territory, Douglas, without hesitancy, sprang to the front to lead the opposition to the Democratic national administration, the prominent leaders of his party, and to the South, to whom he would in the very nature of the situation look, for a presidential nomination. He declared the support of such a plan involved the surrender of popular sovereignty, and that he would not do, no matter what might be the cost to be paid for his future political ambitions.

With charactertistic prompt decision and undaunted courage in taking his stand on this issue, Douglas was at his best. Brilliantly did he fight on the floor of the Senate and before the country. He had cause to feel the heavy hand of opposition to his aspirations by the national administration for assuming this position. His courage, logic, and manful bearing through that critical time drew even the praise of political enemies. His gain in popularity in the North was not confined to his own party, but was augmented by the approval of such outstanding Republicans as Greeley, Colfax, Banks, Burlingame, and Blair, and they went so far as to counsel the Illinois Republicans to unite with the Douglas Democrats and return him to the Senate.

Douglas won the Senatorship, and Lincoln in defeat was to win the Presidency. Stephen A. Douglas possessed the commendable ambition to become President of the United States, and it was in every way justified. His natural and acquired talents, abilities, training, and experience focused the attention of the Nation upon him. Four years before his nomination in 1860, he was the leading candidate of his party at the age of 39, and would have been nominated in 1856 and elected, as subsequent events revealed, had it not been for the recess taken by the Democratic National Convention of that year. Pierce was finally nominated and elected, Douglas supporting him.

In 1860 he became the nominee of his party for President. In his advocacy of the rights of the States it is well to consider that by the popular vote he represented the major thought and will of the American people. There were four presidential candidates in 1860—Abraham Lincoln, against the encroachment of slavery, the Republican candidate; Douglas, Breckinridge, and Bell, all standing for the rights of the States in relation to determining the question of slavery. The vote for the Republican nominee was 1,866,352, being somewhat more than 39 per cent, while the vote for Douglas, Breckinridge, and Bell was 2,910,501, or somewhat more than 60 per cent of the entire vote of the country. Thus it may be seen that in the firm espousal of the rights of the States by Douglas he would have been elected had it not been for the sectional division of the three nominees within his own party.

The announcement of the election of Abraham Lincoln was the spark which ignited the tremendous powder magazine of sectional strife. The slave-holding States regarded it as an ultimatum for the abolishment of slavery. The conciliatory and temporizing words of Lincoln himself could not relieve the situation, fraught with such terrible consequences. His journey to Washington to assume the oath of office as President was filled with dangerous foreboding.

The deep solicitude in his great heart to perpetuate the Union at any cost found its counterpart in the soul of Douglas. The great scene when the newly elected President raised his hand to take the oath of office was breathlessly impressive in its solemnity. Many of the Southern States had declared that they were no longer members of the Federal Union. The very life of President Lincoln and the life of the Nation at that hour was in the balance. This scene was the meeting of the roads which Lincoln and Douglas had traveled in opposition to the principles of each other. The previous questions which had honestly divided them disappeared into oblivion as they both stood foursquare in that momentous hour, with Douglas engaging the hat of Lincoln as Lincoln assumed the oath of office to uphold the Constitution and preserve the Union. The quickly following events attested that both were to give their lives for the preservation of our National Union.

The dark clouds of war were gathering; the mutterings of the fury of the storm that was destined to sweep over the Nation were distinctly heard on every side. One after another, in quick succession, the States of the South set in motion the machinery of secession. Sumter was fired upon. Families were to be divided; brothers were to fight against brothers.

The sentiment on one hand in Northern States was for upholding the Union at whatever cost. The other sentiment was to permit the erring States to go in peace. Illinois was to become one of the principal actors in this terrible drama. A goodly portion of the southern section of the State was peopled by Virginians and Kentuckians. Geographically, our State extended farther south than any of the Northern States affected. Cairo is on a parallel line with Richmond, Va. It was to be expected that human sympathies in southern Illinois would be extended actively or otherwise with the cause espoused by the South.

No one knew better than the President the loyal heart of Stephen A. Douglas. No one understood better the tremendous power of his influence. In that dark hour a conference was held at the White House, with Lincoln and Douglas alone as the conferees. Nicolay and Hay, in Abraham Lincoln—A History, said: "Having, through a friend, signified his desire for an interview, Douglas went to the Executive Mansion between 7 and 8 o'clock on this Sunday evening, April 14, and being privately received by the President, these two remarkable men sat in confidential interview, without a witness, nearly two hours." Senator Douglas, after the meeting, gave this statement to the press: "April 18, 1861, Senator Douglas called on the President and had an interesting conversation on the present condition of the country. The substance of it was, on the part of Mr. Douglas, that while he was unalterably opposed to the administration in all its political issues, he was prepared to fully sustain the President in the exercise of all his constitutional functions, to preserve the Union, maintain the Government, and defend the Federal Capital. A firm policy and prompt action was necessary. The Capital was in danger, and must be defended at all hazards and at any expense of men and money. He spoke of the present and future, without any reference to the past."

The result of this conference indicated that the grave situation in Illinois was the object of this momentous and historical meeting. The attitude of Senator Douglas is best set out in a letter from Chicago of May 10, 1861, in which he expressed the thought "that some of his friends were unable to comprehend the difference between arguments used in favor of equitable compromise with the hope of averting the cause of war and those urged in support of the Government and flag of our country when war is being waged against the United States for the avowed purpose of producing a permanent disruption of the Union and the total destruction of its Government.

"He, too, cherished the same thought until actual war was levied at Charleston and it was the fixed purpose of the secessionists utterly to destroy the Government of our fathers and obliterate the United States from the map of the world. In view of this state of facts there was but one path of duty left to patriotic men. It was not a party question; it was a question of Government or no Government, country or no country; and hence it became the imperative duty of every friend of constitutional liberty to rally to the support of our common country, its Government and flag, as the only means of checking the progress of revolution and preserving the Union of States." What a magnificent patriotic spirit was revealed in this communication!

Senator Douglas, at the instance of President Lincoln and impelled with lofty patriotic impulse, hastened to Illinois. His was the important task and mission to solidify our people to uphold the Constitution and the cause of the Union. He went before the Illinois Legislature to present the cause for which he was soon to give his life. His argument and eloquence reached the heights of sublime rhetoric, and with his magnetic and charming personality, inspired by the fervor of his patriotism, left an impress upon the minds and hearts of his hearers never to be forgotten.

He had embarked upon the solemn and important duty of a series of similar engagements. On one of these, unmindful of the attending dangers from the exposure of inclement weather, he contracted a cold which rapidly developed into pneumonia. Within a few days the sad intelligence was borne across the continent that Senator Stephen A. Douglas had died.

With all the deserved honors that had come to him there were intermingled many disappointments. No doubt the greatest of these was that his life was not to be spared until he could see once more a reuniting of the sections, the hateful question of human slavery forever eliminated from our form of government, and to behold one country, one flag, no North, no South, no East, no West.

Stephen A. Douglas, defender of the Constitution, mighty protagonist of the rights of the States under that Constitution; lawyer, far-visioned statesman, and patriot—we honor ourselves in paying homage to the pages of the impartial history of our country which record and are dedicated to your indefatigable industry, sacrificing courage, and lofty patriotism.

On the shores of Lake Michigan all that is mortal of Senator Stephen A. Douglas lies. On the monument which marks his last resting place there appears the simple but eloquent words of admonition, giving expression to his last lingering thought of love of country as his soul was about to wing its flight to eternity, "Tell my sons to obey the law and support the Constitution."

Senator Stephen A. Douglas gave his life in answer to his country's call as much as any man who fell with his face toward the foe on the battlefields of the Southland.

"God of our fathers, known of old,
Lord of our far-flung battle line,
Beneath whose awful hand we hold
Dominion over palm and pine,
Lord God of Hosts, be with us yet,
Lest we forget; lest we forget!"

INTERNATIONAL EXPOSITION OF COLONIAL OVERSEAS COUNTRIES

Mr. SWANSON. I call the attention of the Senator from New York to the statement I am about to make. On the last night the calendar was called the Senator from New York objected to the consideration of House joint resolution (H. J. Res. 416) to increase the amount authorized to be appropriated for the expenses of participation by the United States in the International Exposition of Colonial and Overseas Countries to be held at Paris, France, in 1931. The joint resolution had been unanimously reported by the chairman of the Committee on Foreign Relations, and, of course, had passed the House. It proposes to increase the appropriation for the participation of the United States in the exposition. There was a very thorough hearing on the measure in the House and in the Senate. There is being erected, as a part of the exhibit of the United States, a replica of Mount Vernon, but additional money is needed to complete the work. The Senator from New York objected the other night when the joint resolution was reached on the calendar, but I understand he has now withdrawn his objection, and I ask unanimous consent for the immediate consideration of the resolution.

The PRESIDENT pro tempore. Is there objection?

Mr. COPELAND. Mr. President, I interposed objection or had it done for me the other night, but my genial friend from Virginia has promised to give me his support for a measure in which I have been interested and which will be brought up at a later time. Therefore I withdraw my objection. [Laughter.]

Mr. HOWELL. How much does the joint resolution propose to appropriate?

Mr. SWANSON. There was an original appropriation of $250,000 and the joint resolution proposes to increase it to $300,000.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the joint resolution was read, considered, ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That section 4 of the joint resolution entitled "Joint resolution for the participation of the United States in an exposition to be held at Paris, France, in 1931," approved June 24, 1930, is amended by striking out "$250,000" and inserting in lieu thereof "$300,000."

MESA VERDE NATIONAL PARK, COLO.

The PRESIDENT pro tempore. The Chair lays before the Senate a concurrent resolution coming over from the House of Representatives, to which he invites the attention of the Senator from Oregon. The concurrent resolution will be read.

The Chief Clerk read the concurrent resolution (H. Con. Res. 48), as follows:

Resolved by the House of Representatives (the Senate concurring), That the action of the Speaker of the House of Representa-

tives and of the Vice President in signing the bill (H. R. 15876, 71st Cong., 3d sess.) to provide for the addition of certain lands to the Mesa Verde National Park, Colo., and for other purposes, be rescinded, and that in the reenrollment of such bill the words "township 36 west" in section 2 of such bill be stricken out and the words "township 36 north" be inserted in lieu thereof.

Mr. McNARY. I move that the Senate agree to the resolution.

The PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

EXECUTIVE SESSION

Mr. McNARY. At the request of a number of Senators, who desire a very brief executive session, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDENT pro tempore laid before the Senate sundry messages from the President of the United States, transmitting nominations, which were referred to the appropriate committees.

REPORTS OF POSTAL NOMINATIONS

The PRESIDENT pro tempore. Reports of committees are in order.

Mr. PHIPPS, from the Committee on Post Offices and Post Roads, reported favorably sundry post-office nominations, which were placed on the Executive Calendar.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably sundry post-office nominations in the State of Tennessee, which were placed on the Executive Calendar.

FEDERAL RESERVE BOARD

The PRESIDENT pro tempore. The calendar is in order. The clerk will state the first nomination on the calendar.

The Chief Clerk read the nomination of Eugene Meyer to be a member of the Federal Reserve Board.

Mr. LA FOLLETTE. Mr. President, in the absence of the Senator from Iowa [Mr. BROOKHART], I ask that the nomination may go over.

The PRESIDENT pro tempore. The nomination will go over.

POSTMASTERS

The Chief Clerk proceeded to read the nominations of sundry postmasters.

Mr. PHIPPS. I ask that the nominations of postmasters may be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters on the calendar will be confirmed en bloc.

THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

Mr. REED. I ask that the Army nominations may be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the Army nominations will be confirmed en bloc.

RECESS

Mr. McNARY. As in legislative session, I move that the Senate take a recess until 12 o'clock on Monday next.

The motion was agreed to; and (at 4 o'clock and 27 minutes p. m.) the Senate, as in legislative session, took a recess until Monday, February 23, 1931, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 21 (legislative day of February 17), 1931

FOREIGN SERVICE OFFICERS

The following-named persons for promotion in the Foreign Service of the United States:

From Foreign Service officer of class 3 to Foreign Service officer of class 2:

Edwin C. Wilson, of Florida.

From Foreign Service officer of class 4 to Foreign Service officer of class 3:

David B. Macgowan, of Tennessee.

From Foreign Service officer of class 5 to Foreign Service officer of class 4:

Charles J. Pisar, of Wisconsin.

From Foreign Service officer of class 6 to Foreign Service officer of class 5:

Harold S. Tewell, of North Dakota.

From Foreign Service officer of class 7 to Foreign Service officer of class 6:

Edwin A. Plitt, of Maryland.

Loy W. Henderson, of Colorado.

From Foreign Service officer of class 8 to Foreign Service officer of class 7:

Alfred D. Cameron, of Washington.

Lawrence S. Armstrong, of New York.

Paul W. Meyer, of Colorado.

From Foreign Service officer unclassified, at $3,000, to Foreign Service officer of class 8, and from vice consul of career to consul:

John B. Ketcham, of New York.

Thomas F. Sherman, of Massachusetts.

George H. Butler, of Illinois.

ASSISTANT SECRETARY OF THE TREASURY

Arthur A. Ballantine, of New York, to be Assistant Secretary of the Treasury, in place of Walter E. Hope, resigned.

UNITED STATES DISTRICT JUDGES

Louie W. Strum, of Florida, to be United States district judge, southern district of Florida. (Additional position.)

Luther B. Way, of Virginia, to be United States district judge, eastern district of Virginia, to succeed D. Lawrence Groner, appointed an associate justice of the Court of Appeals, District of Columbia.

UNITED STATES ATTORNEYS

Alexander C. Birch, of Alabama, to be United States attorney, southern district of Alabama. (He is now serving in this position under an appointment which expires February 23, 1931.)

A. V. McLane, of Tennessee, to be United States attorney, middle district of Tennessee. (He is now serving in this position under an appointment which expires February 23, 1931.)

Frederick R. Dyer, of Maine, to be United States attorney, district of Maine. (He is now serving in this position under an appointment which expired June 22, 1930.)

UNITED STATES MARSHALS

Allen B. Kale, of South Carolina, to be United States marshal, eastern district of South Carolina, to succeed Samuel J. Leaphart, whose term expired June 7, 1930.

Osmund Gunvaldsen, of North Dakota, to be United States marshal, district of North Dakota. (He is now serving in this position under an appointment which expires March 1, 1931.)

B. B. Montgomery, of Mississippi, to be United States marshal, northern district of Mississippi, to succeed Charles R. Ligon, whose term expired May 5, 1930.

G. Fred Flanders, of Georgia, to be United States marshal, southern district of Georgia, to succeed George B. McLeod, whose term expired January 4, 1930.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 21 (legislative day of February 17), 1931

TRANSFER IN THE ARMY

Col. Edward Dennis Powers, to Finance Department.

PROMOTIONS IN THE ARMY

Joseph Asa Marmon to be colonel, Infantry.

George Frederick Ney Dailey to be lieutenant colonel, Infantry.

Bert Marshall Lennon to be major, Infantry.

Edward Joseph Rehmann to be major, Infantry.

Sam Love Ellis to be captain, Air Corps.

George Godfrey Lundberg to be captain, Air Corps.

Milton Taylor Hankins to be first lieutenant, Signal Corps.

John William Gaddis to be first lieutenant, Infantry.

Robert Clarence McDonald to be lieutenant colonel, Medical Corps.

Clemens Wesley McMillan to be lieutenant colonel, Medical Corps.

William Joseph Adlington to be major, Dental Corps.

OFFICERS' RESERVE CORPS

GENERAL OFFICER

Thomas Edward Rilea to be brigadier general, reserve, Oregon National Guard.

POSTMASTERS

ARKANSAS

Leo W. McKenney, Black Rock.
Estella Cherry, McRae.

CALIFORNIA

Josephine M. Tomola, Downieville.
Hazel M. McFarland, Folsom City.
Frederick W. Ammann, Larkspur.
Paul Huneke, Lemoncove.
George P. Ide, Orcutt.
Elizabeth B. Reynolds, Randsburg.
William Junkans, Redding.
Francis C. Harvey, Rivera.
George H. Gischel, Tracy.

CONNECTICUT

Edwin H. Keach, Danielson.

INDIANA

Frank Lyon, Arcadia.
Charleton H. Baum, Avilla.
Paul R. Ashby, Bruceville.
Fred Irvin, Cannelton.
Gail M. Hennis, Clinton.
Harvey H. Galloway, Cromwell.
Edna Whitman, Depauw.
Otto C. Wulfman, Huntingburg.
Nannie E. Sparks, Kewanna.
James E. Gilkison, Loogootee.
Earl L. Rhodes, Milltown.
Lee H. Pillers, Monroeville.
Benjamin F. Pearson, New Salisbury.
Arthur B. Wobith, North Judson.
Lillian R. Stuck, Orland.
Clarence E. Sparling, Osgood.
Hubert Tanner, Plymouth.
Frank R. Hawley, Williamsport.

LOUISIANA

Pierre O. Broussard, Abbeville.
Adrian I. Wilcombe, Hammond.
Theophile P. Talbot, Napoleonville.
Silvio Broussard, New Iberia.
Albert G. Boudreaux, Thibodaux.

MISSISSIPPI

Nicie R. Evans, Bassfield.
Ida E. Roberts, Cleveland.
Willie Ramsey, Drew.
Thomas F. Kirkpatrick, Hollandale.
Lida N. Oldham, University.

NEBRASKA

Chancey J. Sittler, Anselmo.
Wilbur B. Alexander, Ansley.
Paul R. Lorance, Auburn.
Mina R. McCulley, Bassett.
Charles C. Mills, Carroll.
Roy B. Gould, Coleridge.
Sturley T. Stevens, Comstock.
Harry C. Haverly, Hastings.
Verne W. Langford, Laurel.
Richard L. Roach, Maywood.
Edward T. Best, jr., Neligh.
Virgil E. Barker, Newport.
Arthur H. Babcock, North Loup.
Claude A. Barker, Pawnee City.
Frederick H. Crook, Paxton.
Dayle G. Stallman, Petersburg.
Ray L. Mallory, Pierce.
James W. Holmes, Plattsmouth.
Charles G. Anderson, Shelby.
Harry S. Prouty, Spencer.
John Becker, Stanton.
Herbert C. Wilkinson, Weeping Water.
George W. Howe, Wisner.

NEW MEXICO

Charles E. Gibbs, Madrid.

NORTH DAKOTA

Ira L. Walla, Arnegard.
Inez Grams, Bowbells.
Odin Stompro, Columbus.
Milo C. Merrill, Flaxton.
Gus W. Hokanson, Fort Yates.
Aloysius A. Allers, Garrison.
Paul Keller, Hebron.
Lottie E. Just, Judson.
David L. Rourke, Osnabrock.
Ruth Ellickson, Regent.
James Zelenka, Solen.

OKLAHOMA

Charles M. Henry, Carmen.
John P. Rookstool, Hominy.
Estella Sahland, Locust Grove.

PENNSYLVANIA

Robert M. Smith, Centre Hall.
Robert M. Barton, Duncannon.
Inez B. Rex, Irvona.
George D. Claassen, Natrona.
Newton N. Eppinger, North Bessemer.
Frank H. McCully, Osceola Mills.

WYOMING

George J. Snyder, Glendo.
Frank F. Bristow, Greybull.
Reuben A. Faulk, Luck.

HOUSE OF REPRESENTATIVES

SATURDAY, FEBRUARY 21, 1931

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We bless Thee, our Father in Heaven, that we are still in the bosom of Thy love, and pray that we may be lifted up into the relationship of the sons of God. Let Thy Spirit arouse in us all dormant affections and clear our vision that we may behold in the evolutions of human affairs Thy goodness and power. May charity abound among us; all gentleness and graciousness; all love and fidelity; all simplicity and purity. Let that which is contrary to Thy law be repressed and that which is good, wholesome, and helpful, O let it flame forth, even as a sacred fire. Be with us this day and allow not our hearts and minds to shiver in the valley of forbidding isolation, but lead us to the hill slopes of hope, faith, and love. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 5959. An act authorizing the purchase of the State laboratory at Hamilton, Mont., constructed for the prevention, eradication, and cure of spotted fever.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 10658. An act to amend section 1 of the act of May 12, 1900 (ch. 393, 31 Stat. 177), as amended (U. S. C., sec. 1174, ch. 21, title 26).

The message also announced that the Vice President had appointed Mr. METCALF and Mr. COPELAND members of the joint select committee on the part of the Senate as provided in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Department of Labor.

GEORGE WASHINGTON'S BIRTHDAY

Mr. TILSON. Mr. Speaker, on Monday next, February 23, the one hundred and ninety-ninth anniversary of the birth of George Washington will be celebrated. In the House we have agreed to meet at 11 o'clock a. m., the hour between 11 o'clock and 12 o'clock to be devoted to appropriate recognition of that event. The gentleman from Pennsylvania [Mr. BECK] has consented to address us at that time, and we all know that he is capable of handling the subject in a masterly and interesting manner. I rise to call the attention of the membership to the fact that such an address will be delivered and to express the hope that a large attendance of Members will be in their seats at that hour.

Mr. LAGUARDIA. Mr. Speaker, will the gentleman yield?

Mr. TILSON. Yes.

Mr. LAGUARDIA. But at 12 o'clock we start upon the regular work?

Mr. TILSON. Yes. Only the first hour, between 11 o'clock and 12 o'clock, will be devoted to the purpose indicated.

Mr. LAGUARDIA. I wanted to have that understood.

PRIVATE CALENDAR

Mr. TILSON. Mr. Speaker, I ask unanimous consent that on Monday next, February 23, 1931, it be in order to take a recess until 8 o'clock p. m., and that at the evening session, between the hours of 8 o'clock and 11 o'clock p. m., bills on the Private Calendar unobjected to may be considered in the House as in Committee of the Whole, beginning where the House left off on the last call.

The SPEAKER. The gentleman from Connecticut asks unanimous consent that on Monday next it shall be in order to recess until 8 o'clock p. m., and that between the hours of 8 and 11 o'clock it shall be in order to consider bills unobjected to on the Private Calendar, beginning with where the House left off on the last call, and to consider the bills in the House as in Committee of the Whole. Is there objection?

Mr. BLANTON. Mr. Speaker, yesterday afternoon, merely for the purpose of finding out whether the Members who look after the Consent and Private Calendars could be present Monday evening, I temporarily objected to this request. Since that time I have found that there will be enough of them here to properly look after the calendar. I therefore withdraw my objection.

Mr. COLLINS. Mr. Speaker, reserving the right to object, and I shall not object, when, after Monday evening, will there be another call of the Private Calendar?

Mr. TILSON. I should not like to cross that bridge until we come nearer to it, or at least until we see what progress we make Monday evening.

Mr. COLLINS. I hope the gentleman will give the House at least one evening in which to study these bills before the Private Calendar is called again; in other words, that the gentleman will not ask to meet either Tuesday or Wednesday evening for that purpose.

Mr. TILSON. I do not wish to make any promises at this time. Let us wait until we see what progress is made on Monday evening. It may not be necessary to have another evening session, but if it is, we must not be precluded from asking for it.

Mr. LAGUARDIA. I reserve the right to object. Monday next as I understand will be given over to the Committee on the Judiciary under a rule. There are several bills which the committee may call up on that day under the rule. One of the bills, which is of national importance, is at the foot of that list. I ask the gentleman from Connecticut, whether in the event that we recess at 5 o'clock or 6 o'clock, the rule will hold over until the next day?

Mr. TILSON. I do not understand so. As I remember the rule it is simply for the one day.

Mr. LAGUARDIA. Mr. Speaker, it is extremely dangerous at this time to enter into an agreement which will cut off that day. We are ready to stay here until midnight if necessary to pass the employment bill, but if we are confronted with an 8 o'clock session under general consent, we are naturally cut off at 8 o'clock. Unless I can get assurance—because I know there is some unfriendliness to that bill in my own committee and there are more ways of killing a cat than one—I shall feel constrained to object to this request. I do not want to see that day petered out with a discussion of small pop-gun bills that are on the list ahead of this employment bill.

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. BANKHEAD. It seems to me that that is a matter which the gentleman from New York [Mr. LAGUARDIA] might well take up with the chairman of his own committee, and in that way determine the priority of the consideration of bills.

Mr. LAGUARDIA. I have taken that up, and that is why I make this statement at this time. The important bill is at the foot of the list.

Mr. BANKHEAD. The Committee on Rules has given to the gentleman's committee a full day for the consideration of such bills as it desires to bring up. Does not the gentleman think, in view of the present status of affairs, that that is rather a generous arrangement for his committee?

Mr. LAGUARDIA. It is very generous; the Committee on Rules could not give us more; but I want to hold the whole day, if it is within my power to do so.

Mr. MOORE of Virginia. Mr. Speaker, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. MOORE of Virginia. Will the gentleman take us into his confidence sufficiently to tell us why a bill of great importance, in his estimation, is not taken up first?

Mr. LAGUARDIA. I tried that in my committee and I could not do it. If the gentleman from Connecticut will consent that if we are compelled to recess in order to go into a session for the Private Calendar that we may go over until the next day, I shall not object.

Mr. TILSON. I can not ask consent to change a rule that has been brought in here by the Committee on Rules. If the gentleman wishes to object to my request, he must do so. He has the right to do so.

Mr. IRWIN. I hope the gentleman from New York will not object. There are 435 Members who are interested in these private bills. We have been booted around for the last two or three weeks. Yesterday we were to have a day, but we did not get a minute.

Mr. LAGUARDIA. Does the gentleman know to which bill I refer?

Mr. IRWIN. I am asking the gentleman not to object to the Private Calendar.

Mr. LAGUARDIA. Does the gentleman know that I am trying to get consideration of the national employment agency bill?

Mr. IRWIN. I understand that. The gentleman's committee has all day Monday up to adjournment time at 5 o'clock, but I feel that it is time that bills on the Private Calendar should receive some consideration.

Mr. LAGUARDIA. I know that, and I have had just a little experience in frittering away time. I have done it myself.

Mr. TILSON. The gentleman's committee will have the whole day.

Mr. LAGUARDIA. But I know what is ahead of us.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. COCHRAN of Missouri. I suggest that the gentleman from New York [Mr. LAGUARDIA] ask to amend the unanimous-consent request of the gentleman from Connecticut [Mr. TILSON] to provide that if we are not finished at the time of recess we may continue during the evening. As far as I am concerned, I agree with the gentleman from New York [Mr. LAGUARDIA] that the bill he desires considered is more important than the Private Calendar.

Mr. TILSON. I am not going to ask now for a night session to consider anything else but the Private Calendar. I am trying to have the Private Calendar considered. Does the gentleman object?

Mr. LAGUARDIA. Does the gentleman fix any time for recess?

Mr. TILSON. No. The House can continue right up to 7.59 if it so desires.

Mr. LAGUARDIA. But will the gentleman say we may have a night session without fixing the time when we must commence the Private Calendar?

Mr. TILSON. Oh, no. I am asking that from 8 o'clock until 11 o'clock it shall be in order to consider the Private Calendar. I think that is fair.

Mr. LAGUARDIA. That is extremely dangerous.

Mr. BLANTON. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. BLANTON. If the House were in favor of the gentleman's bill, the House could refuse to adjourn and could proceed in consideration of it right up to 8 o'clock if the Members wanted to.

Mr. LAGUARDIA. Well, up to 8 o'clock; but we might not be reached at 8 o'clock.

Mr. BLANTON. You still could do that under the request of the gentleman from Connecticut [Mr. TILSON].

Mr. STAFFORD. Mr. Speaker, we have a very long Consent Calendar, and I think there should be a decision on this matter.

Mr. LAGUARDIA. There are two of my colleagues from the Committee on the Judiciary on the floor now. May I ask them if they will call up this bill first?

Mr. MICHENER. I will answer that by saying that under this rule the Committee on the Judiciary is authorized to call up the bills named in their order as determined by the committee.

Mr. STAFFORD. Regular order, Mr. Speaker.

Mr. TILSON. Mr. Speaker, I renew my request.

The SPEAKER. Is there objection?

Mr. LAGUARDIA. Reserving the right to object——

Mr. DYER. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. DYER. I may state that the gentleman from New York [Mr. LAGUARDIA] knows the Committee on the Judiciary has decided on the order in which these bills are to be presented.

I do not think it would be proper to attempt to change that situation at this time. I believe there will be ample time on Monday to consider every bill that the Rules Committee has provided for, and I am sure there will be ample time to consider the bill to which the gentleman from New York [Mr. LAGUARDIA] refers, the employment bill. There will be no filibuster on the bill, as far as anybody is concerned who is opposed to it, that I know of, and I know the gentleman from New York is not going to filibuster. I think we can get through by 5 o'clock with all of the bills. That would be my judgment.

Mr. MICHENER. The bills listed in the rule are listed in the order in which they were reported out by the committee. Then later the gentleman from New York [Mr. LAGUARDIA] made a motion in the committee that this particular bill to which he refers, should be considered first. It was not the order of the committee that it be considered first. Therefore the bills, as I understand it, will be taken up in the order in which they appear in the rule. Whether I am with the gentleman from New York [Mr. LAGUARDIA] on this matter or against him, I feel that under the orderly procedure of the House we can do nothing but call up the bills in the order which the majority of the committee directs.

Mr. STAFFORD. Mr. Speaker, I press my demand for the regular order.

The SPEAKER. The regular order is demanded.

Mr. LAGUARDIA. I object for the present.

Mr. TILSON. Mr. Speaker, I move that the rules be suspended and the resolution which I have sent to the Clerk's desk be adopted.

The SPEAKER. The gentleman from Connecticut moves to suspend the rules and pass a resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Resolution 371

Resolved, That on Monday next, February 23, 1931, it shall be in order to move that the House take a recess until 8 p. m. and that at the evening session until 11 o'clock it shall be in order to consider bills on the Private Calendar unobjected to in the House as in the Committee of the Whole, the call of bills on the said calendar to begin at No. 785.

Mr. LAGUARDIA. Mr. Speaker, I demand a second.

Mr. TILSON. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. The gentleman from Connecticut [Mr. TILSON] is recognized for 20 minutes, and the gentleman from New York [Mr. LAGUARDIA] is recognized for 20 minutes.

Mr. TILSON. Mr. Speaker, I do not desire to take the 20 minutes allowed me. I think the membership is thoroughly acquainted with the situation. It was my earnest desire to go on with the Private Calendar. I therefore hope the membership of the House will support the resolution.

Mr. GARNER. Will the gentleman yield?

Mr. TILSON. I yield.

Mr. GARNER. I heard the reading of the proposed motion. I do not know what the Speaker would rule, but on Monday, after the gentleman from Pennsylvania [Mr. BECK] finishes his address, I take it from the wording of the resolution it would be in order then to move recess until 8 o'clock.

Mr. TILSON. It would be in order.

Mr. GARNER. How often could that motion be made during the day?

Mr. TILSON. Until it was carried, I suppose, unless it were ruled to be dilatory.

Mr. GARNER. I just wanted to make that observation so that we can see the difficulty of what we term a filibuster at this time.

Mr. TILSON. The House will be in possession of the matter and can do as it sees fit at that time. All I am asking now is to get time for the consideration of the Private Calender, which the gentleman from Texas agrees with me should be considered. [Applause.]

Mr. GARNER. I merely want to call attention to the fact that the gentleman may find this state of affairs, that some gentleman will move to take a recess until 8 o'clock, then in about 10 minutes some other gentleman will make the same motion, and you will have that motion renewed every 10 minutes during the entire day.

Mr. STAFFORD. That would be considered dilatory.

Mr. LEHLBACH. Could not the same situation be brought about by motions to adjourn? There is no force in that at all.

Mr. RAMSEYER. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. RAMSEYER. Under this arrangement the Judiciary Committee could run right up to a minute before 8 o'clock, could it not?

Mr. TILSON. Yes.

Mr. RAMSEYER. And then the House recess until 8 o'clock?

Mr. TILSON. Yes.

Mr. RAMSEYER. So that the Committee on the Judiciary would have practically eight hours at their disposal if a majority of the House stood with them?

Mr. TILSON. That is true. Mr. Speaker, I reserve the balance of my time.

Mr. LAGUARDIA. Mr. Speaker, let the House be advised now as to the parliamentary situation. The gentlemen who applauded the statement of the gentleman from Connecticut that he desired to have the Private Calendar considered, can vote that way if they so desire, but we have coming up Monday one of the bills that has attracted more national attention than any other bill during the entire session of Congress. There seems to be an organized effort to kill that bill with kindness, because it is known that when the Wagner employment agency bill comes before this House, we can pass that bill with an overwhelming majority. The Rules Committee gave that bill a preferential status by giving the Committee on the Judiciary a day on which they might call up certain bills, and Senate bill 3060, the employment measure, is one of them. It is a bill to provide a national system of employment agencies to cooperate with the various States. That bill is at the foot of the list. There are several small bills ahead of it, one of them highly controversial.

Now, then, gentlemen, if you want to defeat the employment agency bill the way to do it is to vote for this motion, which would make it possible at 5 o'clock to recess until 8 o'clock, and then take up private bills. Gentlemen, I plead with you in the name of organized labor of this country, who are clamoring for help, and this is the only piece of constructive legislation that has been offered which would better conditions in the future. Vote down this motion and give us the day. We are willing to come on the floor, present the bill, and take your decision on the merits of it, but do not cut us off. There are several bills ahead of it, and unless we have time ahead of us that bill may never be reached.

Mr. CULLEN. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. CULLEN. Is it not a fact that there is a disposition on the part of the powers that be in the House to substitute another bill for the Wagner bill, which originally was before the Judiciary Committee?

Mr. LAGUARDIA. Yes; but I will say to my colleague that I do not believe that when this House understands the substitute and hears the evidence it will support that substitute. I am sure we can vote the substitute down. All I am asking is to have a day in court, not for myself but for labor, which has been clamoring for some consideration.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. COCHRAN of Missouri. Is it not a fact that not more than 500 people are interested in the bills on the Private Calendar while 5,000,000 people out of work are interested in the unemployment bill?

Mr. LAGUARDIA. We can take up the Private Calendar at any time. I will agree not to be on the floor when the Private Calendar comes up and I will not object to anything. How is that? [Applause.]

Mr. McKEOWN. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. McKEOWN. The fact is that we tried to have this Wagner bill brought up first.

Mr. LAGUARDIA. Yes.

Mr. McKEOWN. But they voted us down on that proposition.

Mr. LAGUARDIA. Certainly; in the committee. Now, gentlemen, that will indicate just what the predisposition on the part of some of the committee toward that bill is.

Mr. YON. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. YON. Does the gentleman think the substitute Doak bill would be amended so as to carry the provisions of the Wagner bill?

Mr. LAGUARDIA. There is no such thing as a Doak bill.

Mr. BANKHEAD. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. BANKHEAD. In order to get the issue clarified, is it the gentleman's idea that if we vote down the pending motion that would leave it open for the House to remain in session after the usual time for adjournment on Monday and remain in session on these bills?

Mr. LAGUARDIA. That is correct. If we have the day before us I am sure that once we get the bill before the House it will not take long to dispose of it, but if we have a dead line at 5 o'clock or at 6 o'clock, then, gentlemen, of course, the committee can fritter away the time on the other bills.

Mr. BANKHEAD. Then it is the gentleman's purpose to remove the barrier for any possible obstruction of the consideration of that bill, even if it takes until midnight?

Mr. LAGUARDIA. Even if it takes until midnight, because we can not do any less for labor in this country.

Mr. TILSON. I think the gentleman from New York is laboring under a very serious misapprehension.

If the gentleman thinks that the order I am asking binds the House irrevokably, he is very much mistaken. The gentleman evidently has not heard it. The House does not have to recess unless it so desires. There is no compulsion whatever upon the House to recess. The resolution simply gives the House an opportunity to recess if it so desires, and that is all it does.

Mr. STAFFORD. And if the gentleman will permit, under the rules of the House it requires a majority to recess.

Mr. TILSON. Certainly. There is nothing whatever in what the gentleman has stated.

Mr. LAGUARDIA. If there is nothing in what I have said, then there is no purpose in the gentleman's resolution.

Mr. TILSON. The purpose of the resolution is to give the House an opportunity on Monday, if it so desires, to recess and consider the Private Calendar.

Mr. LAGUARDIA. May I ask the gentleman a question?

Mr. TILSON. And it also gives the membership notice in advance. There is really nothing whatever in the gentleman's contention.

Mr. LAGUARDIA. May I ask the gentleman this question? Can not the gentleman move to recess for this purpose at any time on Monday without this resolution?

Mr. TILSON. No; he can not.

Mr. LAGUARDIA. Why?

Mr. TILSON. Because it is not a privileged matter.

Mr. LAGUARDIA. The gentleman can call up the Private Calendar by unanimous consent.

Mr. TILSON. But we do not wish to wait until Monday before giving the Members of the House notice that they will have an opportunity to consider the Private Calendar.

Mr. LAGUARDIA. I want to appeal to the floor leader that it is manifestly unfair at this late hour when Monday is the only opportunity we will have in the closing days of the session to get this bill up.

Mr. TILSON. The House will have the opportunity to decide.

Mr. FITZPATRICK. Why not take up the Private Calendar on Tuesday?

Mr. LAGUARDIA. Yes.

Mr. TILSON. I insist that there is nothing whatever in the contention of the gentleman from New York.

Mr. LAGUARDIA. Gentlemen, I am willing to leave it to the membership. [Cries of "Vote!" "Vote!"]

Just one moment, before you gentlemen vote, because in November, 1932, you will be very glad that I made this point. There is nothing that is more important than this matter, and if you vote for this resolution I predict now that there may be great danger in not getting an opportunity to vote for the national employment agency bill.

Mr. TILSON. A recess can not be taken, as the gentleman has indicated, unless a majority of this House says so, and that question can be decided on Monday.

Mr. DYER. Will the gentleman yield me two or three minutes?

Mr. TILSON. I yield the gentleman from Missouri three minutes.

Mr. DYER. Mr. Speaker, I would like to explain the parliamentary situation as regards the bill (S. 3060) which the gentlemen from New York has called to the attention of the House. It is a bill providing for the establishment of an employment service.

The Judiciary Committee of the House reported the bill out some time ago. A majority report and a minority report

were filed, and later on, the Secretary of Labor asked to appear before the committee for the purpose of offering a substitute for the bill which the committee had reported. He appeared before the committee with a substitute bill and the committee adopted his bill as a committee amendment to the bill (S. 3060), which we had previously reported to the House. Hence when this bill (S. 3060) is reached on Monday, the chairman will offer this committee amendment as a substitute for the Wagner bill.

The Secretary of Labor was very earnest in his opposition to the Wagner bill. His objections were based not only upon the fact that it was an invasion of State rights and the undertaking to do by the Federal Government in the States what the States themselves should do, but to him it was a controversial matter as to how much farther the Federal Government should go in extending Federal aid to the States. He also urged the danger of launching upon such a program by the Federal Government because of the fact that once such a step was taken it would be difficult to get away from it and the expediture from the Treasury would grow from time to time until it would become a very great financial burden. He also stated that there were a number of States that prohibit taking employees from one State to another and hence the Wagner bill would get the Federal Government into all kinds of difficulties with the States in regard to securing labor in one State for use in another State. Among these States he mentioned Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, West Virginia, and Texas. These States, he said, have laws that would, in one way or anotner, make very difficult the enforcement of the Wagner bill.

The Secretary of Labor also stated to the committee that if this legislation (the Wagner bill) were enacted into law, it would take his department probably at least two years or more to get it in workable shape. He said, therefore, that it would not benefit the present unemployment situation and that it would hamper and cripple what the Department of Labor is now doing to help out employment.

I was in favor of the original bill, and so reported, but the Secretary of Labor is the one who, under the law, must administer it, and when he appeared and said that he could not administer the bill as it was set out originally and that it would take a long time to put it in force, and asked for consideration of a substitute that would be effective and helpful, I felt it was our duty—and so did the committee—to give him a hearing. The result is that the committee has reported a committee amendment to the original bill, the amendment being the bill which the Secretary of Labor submitted.

The matter will come up Monday and there will be no delay, I am sure, and full opportunity will be had to discuss it and to act upon it.

Mr. TILSON. Mr. Speaker, what the gentleman from Missouri [Mr. DYER] has just said is all very interesting in regard to the merits of one of the bills to be considered, but it has nothing whatever to do with this particular resolution, which provides only that on next Monday there shall be opportunity, if the House so wishes, to take a recess and consider the Private Calendar at an evening session. There certainly can not be any valid objection to making such an order.

The SPEAKER. The question is on the motion of the gentleman from Connecticut to suspend the rules and pass the resolution.

The question was taken; and on a division (demanded by Mr. LAGUARDIA) there were—ayes 205, noes 34.

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

H. W. BENNETT

Mr. TEMPLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9702), an act authorizing the payment of an indemnity to the British Government on account of losses sustained by H. W. Bennett, a British subject, in connection with the rescue of survivors of the U. S. S. *Cherokee*, with a Senate amendment and agree to the Senate amendment.

The Senate amendment was read, as follows:

Page 1, line 7, strike out "$253.50" and insert "$400."

The Senate amendment was agreed to.

CONFERENCE REPORT ON THE INDEPENDENT OFFICES APPROPRIATION BILL

Mr. WASON. Mr. Speaker, I call up the conference report on the bill (H. R. 16415) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1932, and for other purposes.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate (No. 69, as amended) to the bill (H. R. 16415) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1932, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 69: That the House recede from its amendment to the amendment of the Senate numbered 69, and agree to the same with the following amendment: In lieu of the matter stricken out and inserted by such Senate amendment and the matter inserted by such amendment of the House to such Senate amendment insert the following:

"No part of the funds of the United States Shipping Board Merchant Fleet Corporation shall be available during the fiscal year 1932 for the purchase of any kind of fuel oil of foreign production for issue, delivery, or sale to ships at points either in the United States or its possessions, where oil of the production of the United States or its possessions is available, if the cost of such oil compared with foreign oil costs be not unreasonable.

"That in the expenditure of appropriations in this act the United States Shipping Board Merchant Fleet Corporation shall, except as provided in the preceding paragraph, unless in its discretion the interest of the Government will not permit, purchase for use, or contract for the use of, within the limits of the United States only articles of the growth, production, or manufacture of the United States, notwithstanding that such articles of the growth, production, or manufacture of the United States may cost more if such excess of cost be not unreasonable."

And the Senate agree to the same.

EDWARD H. WASON,
JOHN W. SUMMERS,
C. A. WOODRUM,
Managers on the part of the House.

HENRY W. KEYES,
REED SMOOT,
W. J. JONES,
E. S. BROUSSARD,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 16415) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1932, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conference committee and embodied in the accompanying conference report as to the amendment as follows:

On No. 69: The Senate had stricken from the bill the following House provision:

No part of the funds of the United States Shipping Board Merchant Fleet Corporation shall be available during the fiscal year 1932 for the purchase of any kind of fuel oil of foreign production for issue, delivery, or sale to ships at points either in the United States or its possessions.

And had inserted in lieu thereof the following:

That in the expenditure of appropriations in this act for the United States Shipping Board Merchant Fleet Corporation, the said corporation shall, when in its discretion the interest of the Government will permit, purchase for use, or contract for the use, within the limits of the United States only articles of the growth, production, or manufacture of the United States, notwithstanding any existing laws to the contrary.

The House had then receded from its disagreement to the amendment of the Senate and had voted to agree to the same with an amendment, as follows:

No part of the funds of the United States Shipping Board Merchant Fleet Corporation shall be available during the fiscal year 1932 for the purchase of any kind of fuel oil of foreign production for issue, delivery, or sale to ships at points either in the United States or its possessions, where oil of the production of the United States or its possessions is available.

That in the expenditure of appropriations in this act the United States Shipping Board Merchant Fleet Corporation shall, except as provided in the preceding paragraph, unless in its discretion the interest of the Government will not permit, purchase for use, or contract for the use of, within the limits of the United States only articles of the growth, production, or manufacture of the United States, notwithstanding that such articles of the growth, production, or manufacture of the United States may cost more if such excess of cost be not unreasonable.

The Senate had then further insisted upon its previous action and had asked for further conference, to which the House had insisted upon its amendment to the amendment of the Senate and agreed to the conference.

The conference committee agreed upon the language set forth in the accompanying report, to be in lieu of all previous action of both Houses in the matter.

The recommendation of the committee of conference includes the language of the amendment of the House to the amendment of the Senate, with the following language added at the end of the first paragraph:

If the cost of such oil compared with foreign oil costs be not unreasonable.

EDWARD H. WASON,
JOHN W. SUMMERS,
C. A. WOODRUM,
Managers on the part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

RECONSIDERATION OF HOUSE RESOLUTION 364

Mr. McFADDEN. Mr. Speaker, I move to reconsider the vote by which the House Resolution 364 to strike from the RECORD remarks made by me on February 18 was agreed to.

The SPEAKER. The gentleman from Pennsylvania moves to reconsider the vote by which House Resolution 364 was agreed to yesterday.

Mr. BOYLAN. Mr. Speaker, I move to lay the motion on the table.

The SPEAKER. The question is on the motion of the gentleman from New York.

The question was taken; and on a division (demanded by Mr. McFADDEN) there were 110 ayes and 34 noes.

Mr. McFADDEN. Mr. Speaker, I object to the vote on the ground that there is no quorum.

The SPEAKER. The gentleman from Pennsylvania makes the point that there is no quorum present; the Chair will count. [After counting.] Two hundred and thirty-five Members present, a quorum.

Mr. McFADDEN. Mr. Speaker, I demand the yeas and nays.

The question on ordering the yeas and nays was taken, and 19 Members arose in favor thereof; not a sufficient number. So the motion of Mr. BOYLAN to lay the motion of Mr. McFADDEN on the table was agreed to.

EVERGLADES NATIONAL PARK

Mr. COLTON. Mr. Speaker, as a privileged matter, by direction of the Committee on the Public Lands, I call up the bill S. 5410, an identical bill having been reported from the Committee on the Public Lands and being now on the calendar.

The SPEAKER. Is the gentleman acting under the direction of the majority of his committee?

Mr. COLTON. I am.

Mr. SNELL. Mr. Speaker, I make the point of order that the bill S. 5410, on the Union Calendar, can not be called up as a privileged matter.

Mr. COLTON. Mr. Speaker, I would like to be heard on the point of order. Mr. Speaker, when this identical matter was brought before the House two years ago I took the position that a similar bill was not a privileged matter, and I thought then that the position of the Speaker on that occasion and of the House on a previous occasion was wrong. But the ruling of the Speaker was against the position which I took. At that time it was decided, Mr. Speaker, that the test of parliamentary legitimacy was whether the bill showed upon its face an expenditure of public money or the disposition of public property. The Speaker, in making his ruling, called attention to the fact that the House had previously overruled his decision and had established the rule that the true test of parliamentary legitimacy was as I have just stated.

Mr. BANKHEAD. Will the gentleman kindly refer us to the precedent of which he speaks?

Mr. COLTON. I refer to the ruling of the Speaker made on February 27, 1929, to be found on page 4569 of the daily CONGRESSIONAL RECORD of that date. It was my contention that on that occasion the position taken was wrong, but my point of order was overruled. The Speaker indicated in that ruling that there should be some discretion given to the Speaker, and if it was a matter of common knowledge that the bill would as a matter of fact entail an expenditure of public moneys, it ought not to be called up as a special privilege. In other words, it ought to be considered by the House in Committee of the Whole House on the state of the Union. That, Mr. Speaker, is the test; should a bill be considered in the Committee of the Whole, but the House had ruled, and the Speaker ruled in accordance with the statement made in Hinds' Precedents, volume 4, paragraph 410. That paragraph reads as follows:

A bill that may incidentally involve expense to the Government but does not require it is not subject to the point of order that it must be considered in the Committee of the Whole.

And I may say incidentally, in reply to the gentleman's point of order, that while this bill is on the Union Calendar, that is not a determining factor. If the bill is wrongly placed upon the Union Calendar, it is a privileged matter if it ought to have been placed on the House Calendar. The test, I repeat, is whether it shows on its face that it involves an expenditure of public moneys or the disposition of public property, and if a bill does not so show upon its face, then its position on the Union or the House Calendar makes no material difference whatever.

The test is, as I have indicated, the expenditure of money or disposition of property and whether the House should go into the Whole House on the state of the Union to consider the bill. My position before was that the Speaker should be allowed some latitude, but the ruling was otherwise, and the Speaker is bound by that precedent. He is bound more by the action of the House in overruling the Speaker on a former occasion, and I submit now that it is not fair to go up the hill, so to speak, when one bill is before the House, and then when an identical proposition is before the House that we may not care so much for, to march down the hill. If we are to do that, there will be no sanctity to the rules of this House and to the rulings of the Speaker.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. COLTON. Yes.

Mr. SNELL. Has the gentleman changed his own opinion as to whether the decision was right before or not?

Mr. COLTON. I will answer the gentleman by saying that I believe in law and order. I believe in sustaining the precedents of this House. I have not changed, but the Speaker's ruling and the vote of the House are against me; but my opinion is not the governing factor. This House has acted, and the Speaker, in accordance with that vote, ruled subsequently, and as a Member of this House it is my duty to

acquiesce in that ruling and in that precedent. I accept it as binding. I am arguing now against changing a well-established precedent. There is a proper way to change the rules of this House.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. COLTON. Yes.

Mr. MICHENER. As I understand the matter, the present Speaker has ruled on this particular point, and held in a similar case that it was not necessary for the bill to show that a specific sum of money was to be spent, but if the bill clearly showed on its face that it authorized the expenditure of money even though indirectly, that the bill should be on the Union Calendar. The House, because it desired to pass a particular bill, overruled the Speaker and later when a similar point of order was before the House, the Speaker sustained the decision of the House in overruling him. Therefore, if the Speaker overrules the pending point of order, and if an appeal is taken from the ruling and if the ruling is not sustained, the action of the House will, in fact, be a sustaining of the original ruling of the Speaker.

Mr. COLTON. The gentleman from Michigan has attempted to say what was in the minds of the Members of Congress when we voted on that occasion, and I submit that there is nothing in the RECORD to indicate that they overruled the Speaker on the first occasion simply because they wanted to pass a bill. That is the opinion of the gentleman from Michigan. The record stands that the House overruled the Speaker when he ruled as I thought he ought to have ruled at that time. I believe that it was never intended that the Speaker should be just a mere machine in the chair—that he should not be allowed to use some discretion—but the House took the other position, and then when the bill came up two years ago the Speaker, following the precedent, ruled that he was bound by what was shown on the face of the bill. The Committee on Public Lands have acted in accordance with that decision, and this bill has been passed by the Senate, and it comes before the House to-day upon the belief that the House would act in good faith and sustain its previous position. It is now a privileged matter. I submit that it is no time now to go back and correct several rulings simply because some of the Members may not be in favor of the particular bill which is before the House. There are other ways of changing the rulings of the Speaker if they are not right.

Mr. SNELL. Mr. Speaker, I desire to be heard very briefly on this point of order. I am not so much interested in the bill before the House as I am in the practice and precedent that might be established to come back to bother us here in the future. It seems to me that in interpreting the rules of the House we should keep in mind the intent and purpose of the rules. We have to take into consideration what was intended by the rule when it was originally incorporated in the rules of the House. We have established by long precedence two calendars, a House Calendar and a Union Calendar. There must be some reason for having two calendars. The reason for the Union Calendar was to place upon it those bills which made appropriations of property or money that belonged to the Government.

Mr. COLTON. Does the gentleman contend that if a wrong reference has been made by the parliamentarian and a bill placed erroneously on the Union Calendar, that that is the determining factor?

Mr. SNELL. No. Not at all. I claim the bill was properly on the Union Calendar.

Mr. COLTON. Does the gentleman contend that this bill shows upon its face an expenditure of money or a disposition of public property?

Mr. SNELL. Absolutely; and I will attempt to show it to the gentleman. I maintain that when we established these two calendars it was for a specific purpose, and the reason we established a Union Calendar was so that it would not be so easy to get money out of the Treasury of the United States. It was for the protection of the people that we established the Union Calendar. If we should adopt the practice which the gentleman from Utah [Mr. COLTON] has expressed a desire to adopt, eventually every chairman of a committee in this House will be careful to draw his bills in such way that on the face of them there will not be the dollar sign. Then, if we can not get the bill through the House he will go to another body, where they sometimes put them through easier than we do here, and then bring it back to the House, and the gentleman will be able to call up his bill as a privileged matter. In a short time you will have all of these matters here as privileged matters, regardless of the rules of the House that bills authorizing appropriations shall be considered in the Committee of the Whole.

Mr. COLTON. Will the gentleman yield?

Mr. SNELL. I yield.

Mr. COLTON. The gentleman is in a better position than any Member of this House to bring in a rule, under proper conditions, to change this situation. I will go along with the gentleman, but I submit it is not the right time to change it now.

Mr. SNELL. The fact that we have made one or two mistakes is no reason why we should continue to make them. We have overruled some good decisions. There are just as many decisions against the position of the gentleman as there are in favor of it.

Mr. COLTON. If there was any evidence whatever that this committee had acted for the purpose which the gentleman has indicated, there might be some strength in his argument, but until that situation presents itself I submit the House is not justified in overruling the precedents because it may be against a bill.

Mr. SNELL. I make the statement that if you desire to continue this practice you can do exactly as I have said. If the gentleman from Illinois [Mr. BRITTEN] desires to bring in a bill for the Committee on Naval Affairs, authorizing the construction of a battleship, that does not place any limit on the cost, it will be just as properly on the House Calendar as this bill.

Mr. COLTON. Surely the gentleman does not argue that.

Mr. SNELL. I argue it would be just as properly on the House Calendar as this bill, because the bill he would bring in would not have the dollar sign on it, and the only thing the gentleman is arguing as a reason for getting his bill on the House Calendar is that it does not show on the face of it that it takes money out of the Treasury of the United States. The other bill, authorizing construction, would not show on the face of it that it took any money out of the Treasury. If you carried this to the extreme, a great deal of our legislation could be done in that way and it would cause considerable trouble and break down the precedent of years of consideration of certain bills in the Committee of the Whole.

Permit me to call attention to section 3 of this bill:

> The administration, protection, and development of the aforesaid park shall be exercised under the direction of the Secretary of the Interior by the National Park Service, subject to the provisions of the act of August 25, 1916.

Does the gentleman maintain there will not be any expense to the Federal Government under those considerations? Does the gentleman maintain that under the act establishing national parks in 1916, which provides for the care, maintenance, construction, and development, there will be no expense to the Federal Government? It is absolutely inconceivable that anybody should maintain that would be the effect. As a matter of fact, several years ago there was a ruling made by Mr. Speaker Cannon, after considerable careful study on this very same subject, in which he said that where you set in motion the machinery that eventually is going to bring about a charge on the Public Treasury the bill should be on the Union Calendar, and be considered in the Committee of the Whole.

I maintain, even though we do overrule the Speaker and overrule the House itself, we are doing what is right, and we are doing what we ought to do to protect the House in the future on this kind of proposition.

Mr. COLTON. Will the gentleman yield further?

Mr. SNELL. Certainly.

Mr. COLTON. The gentleman then admits that under the precedents of the House, established both by a vote of the House and by ruling of the Speaker, this is a privileged matter?

Mr. SNELL. If the gentleman is going to follow that, yes; but as a matter of fact when the original decision was made on the bridge bill, which the Speaker followed on the Arkansas park bill, there were several outside conditions that arose at that time, in which case it was not really directed at the decision of the Speaker. It was more of a geographical and political proposition, to a certain extent, than the mere fact that the House desired to overrule the decision of the Speaker or even thought the Speaker was wrong in his position.

Mr. BANKHEAD. Will the gentleman yield for a question?

Mr. SNELL. Certainly.

Mr. BANKHEAD. I understand the gentleman takes the position that this bill should properly be upon the Union Calendar for the reason that by inference, at least, it will some time carry an appropriation out of the Treasury.

Mr. SNELL. I even go further than saying "by inference." If section 3 does not provide for the expenditure of funds out of the Federal Treasury, I do not understand the English language.

Mr. BANKHEAD. The gentleman will agree that there is certainly no specific authorization for any appropriation carried in this bill?

Mr. SNELL. There is no dollar sign on the bill. I admit that.

Mr. BANKHEAD. And the gentleman will further agree that there is a specific proviso in the first section of the bill that the Government of the United States shall be at no expense in the acquisition of this territory?

Mr. SNELL. I admit that the territory is going to be given to us.

Mr. BANKHEAD. So that summing up the argument of the gentleman, it is that there might some time in the future be, inferentially, a charge against the Treasury because of the fact that the administration, protection, and development of the park is placed in the hands of the Secretary of the Interior?

Mr. SNELL. Does not the gentleman agree with me and does not the gentleman believe that if we take over this land there will be a charge on the Federal Government? I ask the gentleman to answer that.

Mr. BANKHEAD. I will answer the gentleman.

Mr. SNELL. Does not the gentleman believe that?

Mr. BANKHEAD. If any inference is to be drawn at all, it must be drawn from the language of the bill, and strictly interpreting the language of the bill it might be that an appropriation would not necessarily be involved, and for this reason that the Secretary of the Interior might say that the administration of the details of carrying on this park shall be under general regulations already prescribed for other parks in the country, and there might be the logical conclusion drawn from other inferences that there would not necessarily be any specific charge against the Treasury in the future. Certainly there is no immediate charge contemplated and no deduction is authorized to be drawn that it is set up in the language of this bill.

Mr. SNELL. Answering the gentleman along that line, I will say that one of the most earnest proponents of this bill, in talking with me a few days ago, said this: He told me how valuable the land was and that they were giving something to the United States. I said: "Why do you not keep it yourselves?" He said: "We can not afford to maintain, develop, and protect it." Furthermore, I understand that Mr. Albright himself has said that one of the first things he was going to ask for was a road leading through it to cost at least $1,000,000.

Mr. BANKHEAD. Certainly, a private conversation between the gentleman and Mr. Albright would not bind the Speaker in interpreting the rules of the House.

Mr. SNELL. The gentleman did not answer my question as to whether he believes there will be no expense to the Federal Government in the future.

Mr. BANKHEAD. I do not know, but I would not undertake to say that some 10 years in the future a charge might not be levied against the Government, but the inquiry addressed to the Chair is whether or not there is an inference that may be legitimately drawn from the language of this bill as now presented that it makes a charge upon the Federal Treasury.

Mr. SNELL. If the gentleman will couple the language here with the language contained in the act establishing the national parks, I am sure he could not get away from the conclusion that that means an expenditure on the part of the National Government.

Mr. BANKHEAD. The Speaker is not required to couple this language with any other language.

Mr. SNELL. The bill refers to the provisions of the act of August 25, 1916, and that is made a basis for this bill.

Mr. BANKHEAD. I know; but that does not carry any charge.

Mr. SNELL. Yes; it does. It further provides for the maintenance, care, and expense of the park. Therefore, Mr. Speaker, I maintain that because it authorizes expenditure, and because if we do not rectify an error in judgment that was made some time ago, we will have many more matters of this kind to plague us, just as this one has. The point of order should be sustained.

Mr. LAGUARDIA. Mr. Speaker, in response to the inquiry made by the gentleman from Alabama, permit me to call the Speaker's attention to the fact that this bill in and of itself carries an authorization under which appropriations might be had. Let me call the Speaker's attention to section 3, which provides that—

> The administration, protection, and development of the aforesaid park shall be exercised under the direction of the Secretary of the Interior by the National Park Service, subject to the provisions of the act of August 25, 1916 (39 Stat. 535).

Which is now included in title 16 of the United States Code of Laws. Why, it is sufficient to read section 1 of the National Park Service law:

> SECTION 1. Service created; director; other employees: There is created in the Department of the Interior a service to be called the National Park Service, which shall be under the charge of a director. The Secretary of the Interior shall appoint the director, and there shall also be in said service such subordinate officers, clerks, and employees as may be appropriated for by Congress. The service thus established shall promote and regulate the use of the Federal areas known as national parks, monuments, and reservations hereinafter specified by such means and measures as conform to the fundamental purpose of the said parks, monuments, and reservations which purpose is to conserve the scenery and the natural and historic objects and the wild life therein and to provide for the enjoyment of the same in such manner and by such means as will leave them unimpaired for the enjoyment of future generations.

The very first section of that act provides that—

> There is created in the Department of the Interior a National Park Service.

Then it provides for the employment of the necessary personnel. No further authorization is necessary to obtain appropriations, so that reference to this statute in the bill now before the House is sufficient authorization for the National Park Service to go before the Committee on Appropriations and obtain the necessary funds to carry out the intent and purpose of this bill.

The Speaker can not be deprived of common sense by any decision or any vote overruling any previous decision made by the Speaker. If this were a bill by which the State of Florida presented 50 horses to the United States Government, the Speaker would necessarily have to take judicial notice of the fact that these horses had to eat and had to be fed. Such a bill naturally involves a charge on the Treasury. Likewise, in the bill now before us, which provides for the donation of land, it also provides for the creation of a national park. If the bill stopped with the simple donation of land, it would not be subject to a point of order; but it provides that this land shall be used as a national park, and the bill refers to the act creating the National Park Service, in which act there is sufficient authority to obtain all the necessary appropriations.

Surely there can be no question but that this is a bill which must be considered in the Committee of the Whole. It involves an expenditure; the authority for the expenditure is right here before us, and you can not get away from it.

Mr. COLTON. Will the gentleman yield?

Mr. LAGUARDIA. Certainly.

Mr. COLTON. I will say I think the gentleman has made a very good argument, because I made exactly the same argument two years ago.

Mr. LAGUARDIA. That is where I got it.

Mr. COLTON. But the Speaker and the House have said the gentleman is wrong.

Mr. LAGUARDIA. But the Speaker said that although the Chair was bound by the decisions, he must examine the face of the bill. Mr. Speaker, it is not necessary to find a dollar mark in the bill; but by examining the face of the bill the Speaker will find in this instance that it is mandatory to use this land as a national park, to supervise it, to operate it, and to protect it and to develop it in accordance with the provisions of the act in the bill recited. That is on the face of the bill, and the Speaker can not avoid it.

Mr. TREADWAY. Mr. Speaker, a question has been raised here as to the likelihood of expense on the Federal Government. It happens that I have had two interesting interviews with Mr. Albright on this matter, and it need not be hearsay evidence or secondhand evidence. I can testify that Mr. Albright has said to me within a week or 10 days on two different occasions that the first thing necessary would be the building of a road costing $1,000,000.

Mr. COLTON. Will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. COLTON. Will the gentleman contend that the Speaker could take into consideration a conversation of Mr. Albright in determining what is contained in this bill?

Mr. TREADWAY. Inasmuch as Mr. Albright is the person who will administer this bill under the direction of the Secretary of the Interior, provided the bill is passed, I think we very well may get Mr. Albright's view on the measure.

He said further, Mr. Speaker, that in addition to the construction of this road it would be necessary to police it and have park rangers, the same as in the other parks, naturally, at an expense for their salaries and maintenance. He further said that in order to explore the park or make it accessible these rangers would probably need a hydroplane to get about in policing and investigating the park itself. This is language that Mr. Albright used to me—that the rangers would explore this park by hydroplane.

Mr. CLARKE of New York. Will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. CLARKE of New York. Why could they not charter that boat with its extra power that the Senate committee had?

Mr. TREADWAY. I was about to suggest to the Speaker, when the gentleman from New York asked me the question, that it is not necessary to await the adoption of this bill to see whether there is to be expense on the Federal Government or not, because during the Christmas holidays a group of Members of another body investigated, or tried to investigate, this park, and we find in the records of one of the committees of another body an expense account of $3,000, including $1,687.50 for the employment of a yacht——

Mr. BANKHEAD. Mr. Speaker——

Mr. TREADWAY (continuing). Exploring the bayous and the passageways in this particular location, and it was also remarked that this was too large a yacht to get into some of the creeks and bayous, so that it was necessary to have an auxiliary boat, smaller in size and capacity.

Mr. BANKHEAD. Mr. Speaker, I make the point of order——

Mr. TREADWAY. Therefore, it does not seem to me possible that there is any question about money being expended if the bill is passed.

Mr. BANKHEAD. Mr. Speaker, I make the point of order the gentleman is not discussing the point now before the Speaker; but inasmuch as the gentleman has taken his seat, I withdraw the point of order.

Mr. STAFFORD. Mr. Speaker, may I say a word?

As the Speaker and Members know, I was not a Member of the House when the present occupant of the chair made his decision upon the Ouachita National Park bill. I have examined the RECORD, and that RECORD does not disclose the contents of the bill then before the Speaker for determination, but this bill, as pointed out by the two respective gentlemen from New York [Mr. SNELL and Mr. LAGUARDIA] clearly on its face, when taken into consideration with the organic act creating the National Park Service, imposes a charge upon the Treasury which would be warrant, if this authorization were adopted, to permit an appropriation from the Committee on Appropriations under the National Park Service.

I call attention to the general authority in the organic act creating the National Park Service, namely chapter 408, of the Sixty-fourth Congress, found at page 535, Thirty-ninth Statutes at Large, where the following authority is lodged in the National Park Service:

SEC. 3. He—

The Secretary of the Interior—

may also, upon terms and conditions to be fixed by him, sell or dispose of timber in those cases where, in his judgment, the cutting of such timber is required in order to control the attacks of insects or disease—

And so forth.

Further—

He may also provide in his discretion for the destruction of such animals and of such plant life as may be detrimental to the use of any of said parks or monuments or reservations.

Further—

He may also grant privileges, leases, and permits for the use of land for the accommodation of visitors to the various parks.

All these respective authorities connote the idea of expenditure, a charge on the Treasury which, if we pass this bill, would be a warrant, as I said a moment ago, for the Appropriations Committee or any Member on the floor here to offer an amendment to provide for these respective services.

I can not say now whether the Ouachita National Park bill contained this section 3, but clearly here there is specific authorization, when considered with the organic act referred to, imposing a charge upon the Treasury.

Going one step further, in amplification of the position of the gentleman from New York [Mr. SNELL], what is the philosophy of having bills considered on the Union Calendar when they make a charge upon the Treasury? The theory is that one Member, like the gentleman here, can foreclose debate on the consideration of the bill.

The theory is that every Member of the House has a right to determine after discussion whether we should impose any burden on the taxpayers of the country. Here the gentleman can move the previous question without one word of debate, and the Members would be foreclosed—a rush method. A method that the parliamentary leaders of the House when they put into the rules the provision that these bills should be considered on the Union Calendar, so that the respective Members may have the privilege under the 5-minute rule to offer amendments.

Mr. BANKHEAD. Mr. Speaker, I shall detain the Chair but a few moments. I remember with a great deal of interest the discussion upon the point of order when it was decided by the present occupant of the chair in 1929. Every contention now made by those arguing in favor of the point of order was at that time presented to the Chair. There is only one proposition now pending, as I understand it, before the Chair, and that is whether or not any new facts have been presented or any new arguments have been offered that would impel the Chair to change his opinion then rendered after mature consideration.

The Chair will recall that Mr. Garrett, of Tennessee, in arguing a point of order which was based on this identical procedure——

Mr. COLTON. And the same language in the bill.

Mr. BANKHEAD. And the same language in that bill as the bill now before the Chair—the gentleman from Ten-

nessee cited four rulings made by other occupants of the chair upon this identical point of order.

Hinds' Precedents were cited in Mr. Garrett's argument to the effect that a bill which might involve a charge on the Government that does not necessarily do so need not go on the Calendar of the Committee of the Whole.

Thus a bill that may incidentally involve expense to the Government, but does not require it, is not subject to the point of order that it must be considered in Committee of the Whole.

Paragraph 4811: to require consideration of the Committee of the Whole, the bill must show on its face that it involves an expenditure of money, property, and so forth.

The next paragraph where it is a mere matter of speculation the rule requiring consideration in Committee of the Whole House on the state of the Union does not apply.

Now, here is what the Speaker said when the same argument, the same precedents were then presented, the same parliamentary construction of language apparently identical with that now before the Chair. He made this decision:

The Chair is prepared to rule.

Were it not for the decision cited by the gentleman from Tennessee [Mr. Garrett] and others, wherein the House decided the question, the Chair would feel itself in some doubt about this bill, as he did on the bridge bill. With all due humiliation—

And I presume the Chair to-day is imbued with as much humility as he was on that occasion—

the Chair still thinks he was right in his decision in that case, although he bows, of course, to the combined wisdom of his colleagues in the House. The Chair believes that some day this decision of the House is going to come up to plague us, but for the time being he feels bound by it, and he feels that this case is on all fours with it.

The Chair concluded with this statement:

The Chair thinks that he is bound by that decision, that he must examine the case of the bill alone, and not use any discretion or judgment or knowledge or inclination of any kind. The Chair therefore overrules the point of order.

Mr. COLTON. Mr. Speaker, just one moment. During the presentation of this identical proposition a few years ago in an argument before the Speaker I used almost the same language that the gentleman from Wisconsin has just used. May I read two sentences from that statement?—

The act of August 25, 1916, which is expressly made a part of this act, authorizes the Secretary of the Interior to employ whatever help he needs in the administration of a park; in other words, it is a general authorization act for the use of money.

So that that question was as squarely before the Speaker at that time as it is to-day; there is not a particle of difference. This is exactly the same as the question before the Speaker at that time.

The SPEAKER. It is scarcely necessary for the Chair to say that in this instance he is not considering in the remotest degree either the merits or demerits of this bill any more than he was on the two previous occasions on which he delivered a ruling, and he hopes also that in all cases which are purely a matter of the construction of the rules of the House and the adherence to proper precedents that Members will not be influenced on the question by the merits or demerits of any particular bill that may be before the House.

The Chair finds himself in exactly the same situation that he was in on the occasion referred to by the gentleman from Alabama [Mr. BANKHEAD], and he may say also to the gentleman that he is in an equally humble frame of mind. The Chair states with entire frankness that if this bill was presented to him for analysis, were it not for the decision of the House in overruling the Chair on a previous occasion—and may the Chair say that he is very happy to state that in all of the six years he has been Speaker he has been overruled but once [applause]—he would say, without hesitation, that it is quite apparent that this bill creates a charge upon the Treasury. Section 3 of the bill provides:

The administration, protection, and development of the aforesaid park shall be exercised under the direction of the Secretary of the Interior by the National Park Service.

Is it conceivable that it does not cost money to administer a national park? Is it conceivable that it does not cost money to protect it? Is it conceivable that it does not cost money and possibly very large sums of money to develop it, particularly such a park as this, embracing as it does, as I understand, some 2,000 square miles? Is there anyone who has any power of mental reasoning who would say it would not cost money to develop a park 2,000 square miles in extent? Yet this bill does not say so on its face; it has not, as the gentleman from New York said, the dollar mark upon it. The Chair does not believe it to be necessary that an immediate charge should be had. The Chair thinks the correct ruling is that of Mr. Speaker Cannon, on December 12, 1904, to be found in volume 4, Hinds' Precedents, section 4837:

A bill which sets in motion a train of circumstances destined ultimately to involve certain expenditure must be considered in Committee of the Whole.

That was confirmed in almost the same language by Mr. Speaker Clark on June 30, 1914. (Cannon's Precedents, section 9352.) Is there anyone here who will say that a proposition to administer, protect, and develop a park, situated in swampy ground, 2,000 square miles in extent, does not set in force a train of circumstances—

Destined ultimately to involve certain expenditure?

Is there anyone who will say that? But the Chair under the decision of the House is not permitted to exercise even that very slight degree of intelligence which would be necessary to come to such a conclusion.

On January 6, 1927, a bridge bill was under consideration. The building of the bridge was a matter of great concern to two States. One State, the State of Oregon, was very strongly against it, and another State, the State of Washington, was very strongly in favor of it. The provision in the bill was that the work should be undertaken and estimates made, and so forth, by three different Secretaries—the Secretary of War, the Secretary of Commerce, and the Secretary of Agriculture. Provision was made for the summoning of witnesses from all parts of the country. It seemed to the Chair, on that occasion, exercising that very slight degree of intelligence to which he referred, that that on the face of it was going to cost money, but in order to be perfectly sure he corresponded with the various Secretaries, and they submitted to the Chair preliminary estimates of the amount of money it was going to cost to make that investigation. It involved, they stated, a good many thousand dollars. The Chair thus had official information from the heads of the departments undertaking the work that a large sum of money would be necessary if the bill should become a law, and the Chair has been informed since then that very much money, many thousands of dollars, has been expended by the Government on this bridge proposition. The Chair knew as well as he knows that he is standing here to-day that that bill would create a charge on the Treasury, inevitably, but the argument used by the gentleman from Tennessee, Mr. Garrett, the former very able minority leader and an excellent parliamentarian, was apparently very appealing to the House. On that occasion (January 6, 1927, CONGRESSIONAL RECORD, pp. 1173–1179) Mr. Garrett said:

Mr. Speaker, take my own situation. The Chair speaks of the knowledge the Chair has of the controversy. The Chair I know is perfectly familiar with it. Now, I am not. It may be that inasmuch as there have been various publications in the papers in connection with this bill, I ought to have known more about it, but all I know of the matter, excepting what has been developed here this morning, I derive from the reading of the bill itself, from the bill only, and I dare say that every Member of the House who has not had personal knowledge touching the situation, such as naturally comes to the Chair, derives the information from the bill, and the bill does not show upon its face the fact that expenditures will be engendered.

The Chair finds himself in the position that, in order to agree with the statement of the gentleman from Tennessee and a subsequent decision of the House in matters of this sort, he must endeavor to be a profound ignoramus; and he feels that in the face of the decision of the House which he

held two years ago binding upon him he can not undertake to overrule it. However, such action as the House might see fit to take, the Chair would abide by with equanimity. The Chair overrules the point of order.

Mr. LAGUARDIA. Mr. Speaker, I respectfully appeal from the decision of the Chair.

Mrs. OWEN. Mr. Speaker, I move to lay that appeal on the table.

The SPEAKER. The gentleman from New York [Mr. LAGUARDIA] appeals from the decision of the Chair, and the gentlewoman from Florida [Mrs. OWEN] moves to lay the appeal on the table.

The question is on the motion of the gentlewoman from Florida.

The question was taken; and on a division (demanded by Mr. BANKHEAD) there were—ayes 59, noes 185.

So the motion was rejected.

The SPEAKER. The question is, Shall the decision of the Chair stand as the judgment of the House?

The question was taken; and the House decided that the decision of the Chair should not stand as the judgment of the House.

The SPEAKER. The Chair is overruled. [Laughter.]

UNITED STATES NAVAL HOSPITAL, WASHINGTON, D. C.

Mr. BRITTEN. Mr. Speaker, by direction of the Committee on Naval Affairs, I move to take from the Speaker's table the bill (H. R. 9676) to authorize the Secretary of the Navy to proceed with certain public works at the United States Naval Hospital, Washington, D. C., with Senate amendments, and agree to the Senate amendments.

The Clerk reported the bill by title and read the Senate amendments, as follows:

Page 1, line 4, strike out "construct suitable buildings for hospital purposes" and insert "replace, remodel, or extend existing structures and to construct additional buildings with the utilities, accessories, and appurtenances pertaining thereto."

Page 1, line 6, strike out "$1,500,000" and insert "$3,200,000."

Page 1, line 7, strike out "$250,000" and insert "$100,000."

Page 2, after line 4, insert:

"SEC. 2. The Secretary of the Navy is hereby authorized to employ, when deemed by him desirable or advantageous, by contract or otherwise, outside professional or technical services of persons, firms, or corporations to such extent as he may require for the purposes of this act, without reference to the classification act of 1923, as amended, or to section 3709 of the Revised Statutes of the United States, in addition to employees otherwise authorized and expenditures for such purpose shall be made from the naval hospital fund."

Mr. McCLINTIC of Oklahoma. Mr. Speaker, reserving the right to object, this bill materially increases the amount of appropriation over the legislation that was passed by the House. Recently a bill was passed and has been signed by the President, I understand, appropriating several million dollars for the construction of a hospital at Philadelphia, Pa., for the purpose of taking care of veteran patients. Since the passage of that bill legislation has been passed authorizing some twelve or fifteen million dollars, if I remember correctly, for the construction of additional hospitals by the Veterans' Bureau to take care of veteran patients. When those hospitals have been completed then there will be provided, so I am informed, about 10,000 additional beds. The Veterans' Bureau has already made the statement that as soon as the hospital facilities are available they will withdraw veteran patients from the naval hospitals, thereby leaving a number of hospitals with a number of beds which will be empty. I have opposed this class of legislation as a policy, believing that each bureau of the Government should stand upon its own legs and that the Veterans' Bureau should pass the kind of legislation that would take care of its own patients. If they do not have a sufficient amount of money to provide hospitals, it is the duty of Congress to give it to them. So, if this comes up by unanimous consent I shall be compelled to object.

Mr. BRITTEN. Mr. Speaker, I made a motion to take the bill from the Speaker's table. I did not ask unanimous consent.

The SPEAKER. The gentleman from Illinois moved to take from the Speaker's table the bill H. R. 9676, with Senate amendments, and agree to the Senate amendments.

Mr. STAFFORD. Mr. Speaker, I make the point of order that the Senate amendments involve a charge on the Treasury and accordingly they are not privileged amendments.

Pending the examination by the Speaker of the point of order, I wish to make inquiry of the gentleman from Illinois [Mr. BRITTEN] as to the merits of the proposed Senate amendments. As I recall, although my memory may be at fault, when the House bill was under consideration, as the bill passed the House it provided for the establishment, in the discretion of the Navy Department, of this naval hospital somewhere else than the present site.

Mr. BRITTEN. No; there is nothing in the bill to that effect.

Mr. STAFFORD. I was under the impression that the argument made was that the present site was circumscribed and it would be advantageous and advisable to remove the naval hospital in the District of Columbia to a new site, rather than to enlarge the present quarters.

Mr. WOODRUFF. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. WOODRUFF. I think the gentleman has in mind the establishment of a great health center having nothing whatsoever to do with the naval hospital. On the naval hospital grounds now there are certain laboratories of the Health Department of the United States which, under the establishment of the new health center, would be moved to the location selected for that purpose, and the land now occupied by these laboratories would revert to the Navy Department and be available for use in the location of the buildings contemplated by this bill.

Mr. STAFFORD. The proposed Senate amendments are very radical, as I remember them.

Mr. BRITTEN. Oh, no.

Mr. STAFFORD. They provide a much larger appropriation than was carried in the House bill.

Mr. BRITTEN. The Senate amendments improve the bill.

The SPEAKER. Will the gentleman from Wisconsin [Mr. STAFFORD] please point to the particular paragraph which he regards as the subject of the point of order?

Mr. STAFFORD. Mr. Speaker, I have before me H. R. 9676 with Senate amendments. The copy of the print shows the first amendment is to strike out $1,500,000 and substitute $3,200,000. Certainly that is an additional charge on the Treasury of the United States of $1,700,000. It is increasing the charge on the Treasury by that amount. If the House is going to consider a proposal of this character which involves a charge on the Treasury, then the House should be given the privilege of discussing the propriety of the increase.

The SPEAKER. The Chair will call the gentleman's attention to a decision by Mr. Speaker Randall, found in Hinds' Precedents, Vol. IV, section 4797:

A Senate amendment which is a modification merely of a House proposition, like the increase or decrease of the amount of an appropriation, or a mere legislative proposition, and does not involve new and distinct expenditure, is not required to be considered in Committee of the Whole.

The Chair thinks that is this case exactly.

Mr. STAFFORD. I call the Chair's attention to the change in language. The provision as it passed the House authorized the Secretary of the Navy to construct suitable buildings for hospital purposes. The Senate amendment struck out that language and inserted this language:

Replace, remodel, or extend existing structures and to construct additional buildings with the utilities, accessories, and appurtenances pertaining thereto.

The question arises, Mr. Speaker, whether that additional language, "with the utilities, accessories, and appurtenances pertaining thereto," is supplementary to the original authorization to construct suitable buildings for hospital purposes.

The SPEAKER. The Chair would think that language was rather restrictive than otherwise. The provision "to construct suitable buildings for hospital purposes" is very

broad authority, while the language inserted by the Senate is restrictive.

Mr. STAFFORD. I would hold that authority to construct suitable buildings does not grant to the Secretary of the Navy the right to purchase utilities, accessories, and appurtenances, which have been added by the Senate. I grant, Mr. Speaker, that the language providing for the replacing, remodeling, and extension of existing structures does not elaborate the language as passed by the House, but I do contend that the authority to purchase utilities, accessories, and appurtenances is nowhere involved in the original language.

The SPEAKER. It would seem to the Chair that an authorization to construct suitable buildings for hospital purposes would necessarily include appurtenances to make the hospital useful.

Mr. BRITTEN. And, Mr. Speaker, the Senate wanted to make certain that the cost of the hospital completed would not exceed $3,200,000, so it put that language in the bill.

The SPEAKER. The Chair thinks this comes under the decision made by Mr. Speaker Randall and therefore overrules the point of order.

The question is on the motion of the gentleman from Illinois to concure in the Senate amendments.

The Senate amendments were agreed to.

On motion of Mr. BRITTEN, a motion to reconsider the vote by which the Senate amendments were agreed to was laid on the table.

GEORGE WASHINGTON BICENTENNIAL

Mr. ZIHLMAN. Mr. Speaker, I ask unanimous consent for the present consideration of Senate bill 6041, to authorize an appropriation of funds in the Treasury to the credit of the District of Columbia for the use of the District of Columbia Commission for the George Washington Bicentennial.

The SPEAKER. The gentleman from Maryland asks unanimous consent for the present consideration of a Senate bill, which the Clerk will report.

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of funds in the Treasury to the credit of the District of Columbia, the sum of $100,000, to be expended by the District of Columbia Commission for the George Washington Bicentennial: *Provided*, That the expenditure of the money by the District of Columbia Commission for the George Washington Bicentennial herein authorized shall be made under such regulations as may be prescribed by the Commissioners of the District of Columbia.

Mr. STAFFORD. Will the gentleman from Maryland yield to me for a parliamentary inquiry?

Mr. ZIHLMAN. Yes.

Mr. STAFFORD. Mr. Speaker, will the Speaker acquaint the membership of the House as to whether he has arrived at a decision as to the suspensions to-day under the order of the House?

The SPEAKER. The Chair is unable to state at this moment. He has quite a large list of suspensions but is not quite sure which he will recognize. The Chair will state, however, that he will make no recognitions before quarter to 4, as he thinks bills on the Consent Calendar should be considered up to that time, and the bills to be taken up under suspension will not be of a highly controversial nature. Is there objection to the request of the gentleman from Maryland?

Mr. BLANTON. Mr. Speaker, reserving the right to object, will the gentleman from Maryland yield?

Mr. ZIHLMAN. Yes.

Mr. BLANTON. Has this matter been approved by the gentleman from Indiana [Mr. WOOD]?

Mr. ZIHLMAN. The gentleman from Nebraska is here.

Mr. SIMMONS. I think this is an emergency and that the bill ought to go through.

Mr. BLANTON. Has the matter been approved by the gentleman from Indiana [Mr. WOOD], the chairman of the Committee on Appropriations?

Mr. SIMMONS. I do not know; but I think the gentleman from Indiana would take my judgment on it, and I think the bill should pass and it is necessary that it pass to-day.

Mr. BLANTON. The matter, then, has not been submitted to the gentleman from Indiana [Mr. WOOD]?

Mr. SIMMONS. Not by me; no.

Mr. BLANTON. Has the matter been submitted to the President's Budget?

Mr. SIMMONS. The Budget Bureau has approved the legislative bill, as I understand.

Mr. BLANTON. When we have a joint commission looking after this matter and have given them all the funds they require, why is it necessary to appropriate another $100,000 and put it in the hands of the Commissioners of the District of Columbia?

Mr. ZIHLMAN. This is the contribution on the part of the District to the celebration.

Mr. BLANTON. How is this going to be spent by the District Commissioners?

Mr. ZIHLMAN. In the interest of the celebration.

Mr. BLANTON. In overhead and in salaried jobs?

Mr. ZIHLMAN. I can not answer that question specifically.

Mr. BLANTON. Has the gentleman from Maryland or the gentleman from Nebraska had any estimate as to the way in which this $100,000 is going to be spent by the District of Columbia?

Mr. ZIHLMAN. I will state that the president of the Federation of Citizens' Associations in the District appeared before the committee and gave an outline of their plans in connection with their contribution to this celebration. This $100,000 is to come from District funds and not from Federal funds.

Mr. BLANTON. I am not going to object, but I want to get before the membership the fact that gentlemen can bring in a matter involving as much as $100,000, get it up on the floor by unanimous consent, and pass it, when it has not even been submitted to the chairman of the Committee on Appropriations.

Mr. SIMMONS. This is merely an authorization. It is not an appropriation.

Mr. BLANTON. But the gentleman from Indiana, who watches the exchequer of the Government, ought to be apprised of these matters that will force him later to take $100,000 out of the Treasury.

Mr. PATTERSON. The gentleman from Texas does not take the position, I hope, that every measure providing for an authorization should first be submitted to the gentleman from Indiana?

Mr. BLANTON. I think it ought to be.

Mr. PATTERSON. I do not think so.

Mr. BLANTON. Because the chairman of the Committee on Appropriations, however extravagant he might have been as an ordinary Member, when he becomes chairman of that great committee begins to look after the Government's side of every proposition.

Mr. COLLINS. Will the gentleman yield to me?

Mr. BLANTON. I am through. I shall not object.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I would like to inquire, because $100,000 is a tidy sum for expenditure by the Commissioners of the District of Columbia in connection with the celebration of the bicentennial, as to whether any budget has been arranged with respect to the major items of this authorization.

Mr. ZIHLMAN. I will say to the gentleman that they have in the District of Columbia, in addition to the National Commission on the George Washington Bicentennial, a local commission made up of a number of the most prominent citizens, educators, and clergymen in the District, and this money will be spent under the direction of this commission, as I understand it.

Mr. STAFFORD. Yes; but $100,000 is quite a large amount. Is it purposed under this bill to pay the traveling expenses of specially invited guests of the District Commissioners or what is the real purpose in the use of the $100,000? It is not $25,000. I can readily conceive how $25,000 would be expended, but how will $100,000 be expended? Just give

us some general idea as to the purpose for which the appropriation is to be used. I am serious in the matter and the report does not show anything whatsoever about how the money is to be expended.

Mr. ZIHLMAN. I will say to the gentleman that this fund, if it is authorized, will come from the funds of the District of Columbia.

Mr. STAFFORD. That is one reason why we should be more circumspect in its appropriation.

Mr. ZIHLMAN. And various trade bodies, civic organizations, the District Commissioners, and the Federation of Citizens' Associations have all urged that this authorization be made in order that they may make a proper contribution to this great celebration on which the Federal Government will expend approximately millions of dollars.

Mr. STAFFORD. Oh, not millions.

Mr. ZIHLMAN. Yes; they have spent that already.

Mr. STAFFORD. I challenge that statement, because on the floor of the House the distinguished Representative from New York [Mr. BLOOM] said in reply to an inquiry made by me that the total authorization up to date is something less than $800,000.

Mr. ZIHLMAN. I will say to the gentleman that the Mount Vernon Boulevard was authorized as a further testimonial by the National Government and as a contribution to the celebration and that involves the expenditure of a million dollars.

Mr. HOLADAY. If the gentleman will yield to me, perhaps I can give the gentleman from Wisconsin some information. It is my understanding that the citizens of Washington, feeling that the George Washington celebration will rather center here in Washington, desire to put on some pageants and things of that kind at the expense of the citizens of the District. The business men are raising some funds from private sources, and I understand in a general way what the program is to be. I think the first pageant they intend to have is a reproduction of the inauguration of George Washington, and from time to time there will be other things of that character for the benefit and the entertainment of the citizens of the United States generally who may come to Washington.

Mr. ZIHLMAN. I failed to state to the gentleman——

Mr. STAFFORD. Now, we have some informing facts as to what is contemplated by the commission, but the letter of the commissioners and the report gave no definite information. I am in hearty sympathy with some amount being voted, but I wanted to know how $100,000 was going to be expended.

Mr. ZIHLMAN. I may also say to the gentleman that it was stated before our committee that an equal amount would be raised by private subscriptions here in the District of Columbia.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. ZIHLMAN, a motion to reconsider the vote by which the bill was passed was laid on the table.

REGULATION OF EXTERIOR ADVERTISING IN THE DISTRICT OF COLUMBIA

Mr. ZIHLMAN presented the following conference report on the bill (S. 4022) to regulate the erection, hanging, placing, painting, display, and maintenance of outdoor signs and other forms of exterior advertising within the District of Columbia.

ADDRESS BY HON. CHARLES A. EATON OF NEW JERSEY

Mr. ACKERMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a speech of my colleague the gentleman from New Jersey [Mr. EATON] on Abraham Lincoln, delivered by him in Trenton.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ACKERMAN. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following speech before the Republican Club Lincoln dinner, Trenton, N. J., February 12, 1931:

THE INSPIRATION OF LINCOLN

On the morning of Good Friday, April 14, 1865, five days after Lee had surrendered at Appomattox, a Cabinet council was held in Washington. President Lincoln, at that meeting, told his colleagues that further good news must be on the way, for he had dreamed a dream which had come to him several times before and which had always been followed by news of a victory during the war. In the dream he said he seemed to be sailing in a ship of a peculiar build with great speed toward a dark and undefined shore.

That night Mr. and Mrs. Lincoln went to the theater. Shortly after 10 o'clock a shot was heard and Abraham Lincoln fell forward upon the front of the box unconscious and dying. They carried the President to a little house near the theater and summoned his sons and friends. He did not regain consciousness. His secretaries, who were present, record that a look of unspeakable peace come over his worn features. At 22 minutes past 7 on the morning of April 15 the President died. Secretary Stanton, who had kept sleepless vigil through the long night beside his chief, said, "Now he belongs to the ages." And thus the dream was realized and the great burden bearer passed to his eternal rest.

The story of Abraham Lincoln's humble birth and struggles amidst the crude conditions of frontier life has become the inspiration of aspiring manhood throughout the world. In this fateful hour when every society on earth confronts vast and challenging problems it is well for us to ask what we may learn from the mind and character and service of this great child of America that will serve as a light to guide us through the fogs of fear and failure which shadow every land.

The first outstanding fact in the life of Lincoln is this: He was the pioneer. In his history, his character, his experience, and his service he exemplified the spirit and method of the pioneer. His ancestral rootage was in old England, but the peculiar qualities of the pioneer character were developed in himself and in his immediate forebears in the crucible of the frontier.

The second outstanding quality of Lincoln's character was a profound faith in a divine Providence, whose long purposes of good outlived the vicissitudes of human experience and finally shaped to His own ends the actions and institutions of mankind everywhere.

During his first presidential candidacy Lincoln expressed this faith in a remarkable statement made in answer to criticism which he received from a group of clergymen:

"I know that there is a God and that He hates injustice and slavery. I see the storm coming, and I know that His hand is in it. If He has a place and work for me, and I think He has, I believe I am ready. I am nothing, the truth is everything. I know I am right because I know that liberty is right, for Christ teaches it, and Christ is God. I have told them that a house divided against itself can not stand, and Christ and reason say the same, and they will find it so."

And in his second inaugural address he sets forth this belief in a passage of incomparable beauty, which reads like the inspired utterance of an ancient prophet:

"The Almighty has His own purposes. 'Woe unto the world because of offenses! For it must needs be that offenses come; but woe to that man by whom the offense cometh!' If we shall suppose that American slavery is one of those offenses, which, in the providence of God, must needs come but which, having continued through His appointed time, He now wills to remove, and that He gives to both North and South this terrible war as the woe due to those by whom the offense came, shall we discern therein any departure from those divine attributes which the believers in a living God always ascribe to Him? Fondly do we hope, fervently do we pray, that this mighty scourge of war may speedily pass away; yet, if God wills that it continue until all the wealth piled by the bondman's 250 years of unrequited toil shall be sunk and until every drop of blood drawn with the lash shall be paid with another drawn with the sword, as was said 3,000 years ago, so still it must be said, 'The judgments of the Lord are true and righteous altogether.'

"With malice toward none, with charity for all, with firmness in the right as God gives us to see the right, let us strive on to finish the work we are in; to bind up the Nation's wounds, to care for him who shall have borne the battle and for his widow and his orphan—to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations."

A third fundamental in the thinking of Abraham Lincoln was his invincible belief that right and wrong can not permanently exist in amity side by side. In his great debate with Douglas he expressed this view in language which has become historic:

"A house divided against itself can not stand. I believe this Government can not endure permanently half slave and half free. I do not expect the Union to be dissolved; I do not expect the house to fall; but I do expect that it will cease to be divided. It will become all one thing or all the other. Either the opponents of slavery will arrest the further spread of it and place it where the public mind shall rest in the belief that it is in course of ultimate extinction, or its advocates will push it forward till it

shall become lawful alike in all the States. Old as well as new—North as well as South."

One other central idea in Lincoln's philosophy of life is of peculiar value to the world to-day. I refer to his theory of democracy, which he expressed as follows:

"As I would not be a slave, so I would not be a master. This expresses my idea of democracy. Whatever differs from this, to the extent of the difference, is no democracy."

He based his whole theory of government upon the doctrine of the essential equality of men; not a dead level of intellectual or economic equality, but the equality of spiritual dignity and worth, and the equality of opportunity for every man to realize to the utmost all his powers.

When we apply these foundation principles of Lincoln's philosophy to the problems which we must solve, we find the real inspiration of Lincoln for our age.

It must be self-evident to every thoughtful mind that civilization has come to a distinct pause in its forward march throughout the world. We stand in the twilight zone between two ages in the history of the race, one dead, the other in the pangs of birth. The World War marked the break up of the old. The uncertainty, the pessimism, the baffling sense of failure everywhere evident reveals the necessity for a reconstruction of human institutions upon principles with which as yet we are unfamiliar. These conditions are common in differing degrees to every organized society in the world at the present time, and the central problem engaging the attention of every society in the world is identical for the first time in history. That problem is how to eliminate and finally abolish economic poverty for the masses of men. To the solution of that problem we must apply the foundation principles which animated the thinking and action of Abraham Lincoln.

We are facing absolutely new frontiers. Unless we have a revival of the pioneer spirit, adventurous, courageous, hopeful, these frontiers will mark the failure of the past rather than the glorious beginning of a new and better time for men everywhere.

If the spirit of man is to support the vast and complicated relationships of the present and the future, it must find a new foundation in the spiritual realities which Lincoln expressed in his invincible faith in a divine Providence.

If we are to go forward, as I believe we will do, we must have the moral vision and courage to determine what is right and therefore permanent in our social structure, what is wrong and therefore ephemeral, and resolutely establish the one and eliminate the other.

And last, but by no means least, if democracy in any form is to become the recognized social philosophy of the world, it will have to be in essence the democracy of Lincoln. Its foundation will have to be in the nature of self-government which can only be possible in a society of sufficient intelligence and character to support, modify, and use the external machineries of its political and economic structure.

The choice of the future lies between dictatorship and democracy; between authority clamped down from the top or authority originating in the mind and hearts of the masses of men.

We are fortunate that these tragic and challenging problems are being tested out on a gigantic scale in two of the greatest countries of the world—America and Russia. I believe that eventually the world will become all Russian or all American. These two theories of life are mutually destructive. They can not permanently exist side by side. They will, as they are now doing, modify each other profoundly, but in the end one or the other must become the chief instrument, either for the advancement of civilization through the golden age of complete freedom for all men, intellectual, spiritual, political, and economic, or for the complete enslavement of the world to the demonination of brute force.

In his immortal Gettysburg speech Abraham Lincoln plucked from the palsied hand of death the torch of progress and passed it on to become the permanent possession and inspiration of the living in generations yet to come. "It is for us, the living, rather to be dedicated here to the unfinished work which they who fought here have thus far so nobly advanced."

As we scan the long and toilsome journey which mankind has traveled out of the shadows of the distant past to this age of light and learning and liberty we must believe that the future beckons us to even nobler and greater achievements. This is the age of the great romance. The world has shrunken to a neighborhood and must eventually become one family in fact as for long it has been in theory. No longer can any people or society live or die unto itself. The tides of human failure, passion, progress, evil, and good beat untrammeled upon every shore. The test of any civilization is the quality of the manhood which it produces. And in turn the test of that manhood is the kind of social institution which it creates and perpetuates.

I believe that in this world age the race of man is being summoned, in the providence of God, to its greatest opportunity and its greatest achievement. As yet we are not equipped to meet the problems and bear the burdens of this golden age. Our intellectual and spiritual machinery is outworn; much of it has had its day and ceased to be. The time has come for a new vision of the meaning and purpose and dignity of life for the individual and for the societies which he has created.

I believe that in the deep foundations of thought and ideal which underlie the life and work of Abraham Lincoln we shall find real guidance and inspiration. There is no hope for a world without God. Man needs an eternity for the full fruition of those qualities which he develops under the limitations of time. He needs to ally his relatively small purposes with the vast and timeless purposes of an overruling Providence.

As we face the undefined frontiers of the new age we must possess and be possessed by the dauntless adventurous spirit of the pioneer. We must, if we are to win our battle, as I believe we shall do, find a new standard of moral values so that we can determine both for the individual and for the group those objectives which are permanent and worthwhile as against those which contain within themselves the seeds of failure and disappointment. And whether we call the new form of society democracy or something else, in every land it must eventually give to the individual equal scope and opportunity for the development of all his powers; for the undisputed possession of his own rightful share of the product of his toil; and for his safe enjoyment of those eternal rights and the observance of those high duties which lend to the humblest citizen a dignity and glory beyond any material possession.

In a word, these are days for fundamental thinking, for enlargement of all spiritual and intellectual horizons; for the warming and enriching of human sympathies and understanding: for cultivation of the ability to cooperate, and for a resolute and invincible faith that the world is moving toward the light and we, each one, are endowed with faculties which enable us to keep step with the general progress.

A great German philosopher once said that the world can not remember too often that a man named Socrates lived. To that I would add that America, first of all, and then every man in every land who is striving toward the light and the right, can not remember too often the fact that once there lived and served a man named Abraham Lincoln, and that he still lives and will continue to live until government of the people, for the people, and by the people has become the common possession of the race.

RELIEF OF CERTAIN TRIBES OF INDIANS IN MONTANA

The Clerk called the first bill on the Consent Calendar, S. 873, to supplement the act entitled "An act for the relief of certain nations or tribes of Indians in Montana, Idaho, and Washington," approved March 13, 1924.

Mr. CRAMTON. Mr. Speaker, reserving the right to object, legislation was passed some years ago to permit these claims to go to the Court of Claims. One of the attorneys representing the Indians at that time, if I am correctly informed, was one A. A. Grorud. Because the case was allowed by him to drag along so they did not get into the Court of Claims within the time fixed by the statute. Since that time Mr. Grorud has been disbarred by the court of Montana and the Federal court, and is still, as I understand, disbarred. He does happen to be on the pay roll of Congress as an investigator notwithstanding this disbarment, but I do not believe we ought to take any chance of his further handling this claim.

I would want to suggest, therefore, certain amendments to the bill. One, to make sure that he should not be employed as attorney under approval by the department if this bill is passed; and, second, either to cut down the attorneys' fees from 10 per cent to 5 per cent or to strike out section 9.

Section 9 provides that the expenses incurred by the attorneys may be paid out of the funds of the Indians as the case goes along, which, of course, is a great convenience to the attorneys.

More than that, if the case goes against the Indians the Indians will have paid the expenses and are out. If the attorneys are to have that protection then I think the fees should be cut down from 10 per cent to 5.

Mr. LAGUARDIA. Does not the gentleman think, under the circumstances, the bill ought to go over without prejudice?

Mr. STAFFORD. In view of the fact that the former Commissioner of Indian Affairs did not recommend the wholesale opening of investigation of facts, but merely the fishing and hunting rights I think it should.

Mr. CRAMTON. I would not want to ask that.

Mr. LAGUARDIA. I will ask it. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent to extend my remarks by including an amendment which I would have proposed.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The proposed amendment is as follows:

Provided, That no such contract of employment of attorney or attorneys shall be so approved except it carries a provision that Albert A. Grorud is not to be directly or indirectly connected with the conduct of the suit and that he shall not share in the fees paid attorneys for services in connection with said suit.

AMENDING SECTION 3 OF HOUSE JOINT RESOLUTION PROMOTING EFFICIENCY IN UTILIZATION OF RESOURCES OF THE UNITED STATES

The Clerk read the title of the next resolution on the Consent Calendar, House Joint Resolution 392, to amend section 3 of the joint resolution entitled "Joint resolution for the purpose of promoting efficiency, for the utilization of the resources and industries of the United States, etc.," approved February 8, 1918.

Mr. DOUGLAS of Arizona, Mr. BLANTON, and Mr. LAGUARDIA objected.

AMENDMENT TO SECTION 24 OF THE IMMIGRATION ACT OF 1917

The Clerk read the title of the next bill on the Consent Calendar, H. R. 10881, to amend section 24 of the immigration act of 1917, as amended.

Mr. COLLINS, Mr. CRAMTON, and Mr. LAGUARDIA objected.

PROTEIN IN WHEAT

The Clerk read the title of the next bill on the Consent Calendar, S. 101, an act to provide for producers and others the benefit of official tests to determine protein in wheat for use in merchandising the same to the best advantage, and for acquiring and disseminating information relative to protein in wheat, and for other purposes.

Mr. DOUGLAS of Arizona, Mr. GREENWOOD, and Mr. LAGUARDIA objected.

MEDALS OF HONOR AND AWARDS TO GOVERNMENT EMPLOYEES

The Clerk read the title of the next bill on the Consent Calendar, H. R. 12922, a bill providing for medals of honor and awards to Government employees for distinguished service in science or for voluntary risk of life and health beyond the ordinary risks of duty.

Mr. BLANTON. Reserving the right to object, I understand that if this bill is passed it will set a precedent whereby claims may be filed for several years back by employees of the Government, and there would be no end to the future claims of this kind. While the bill and report do not indicate it, I understand that to be the fact.

If an employee of the Government finds some means of bettering the manner of doing the work, it is only the duty he owes the Government to furnish the Government with it. Just as if a Member of Congress can find a better way to handle the public business, as did the gentleman from Massachusetts [Mr. UNDERHILL]—something that will stop expense and taking the time of Congress on immaterial questions—then it is his duty to do it without extra compensation.

While I hate to oppose a bill that my good friend from New York seems to be very much interested in, I feel that the bill ought not to pass.

Mr. GRIFFIN. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. GRIFFIN. I have not a particle of selfish interest in this bill. It has been practically framed by the Bureau of Research, composed of scientific men from scientific bodies of this Nation. Everywhere medals of honor are granted for bravery on the field, and medals are issued by private associations and industry for distinguished service in science. The employees of the Government have no recognition whatever. This bill is self-limiting. It provides for granting three medals of honor a year to the men who have rendered distinguished services in science—like those who devised the tide-calculating machine in the Coast and Geodetic Survey, which saves the Government $150,000 a year; or Sergeant Nelson, of the Artillery, whose fire-control device saves the Government $100,000 a year. There is no opportunity for recognition for these men unless some such bill as this is passed.

Mr. BLANTON. If it were simply a question of recognition for services by granting these medals there would hardly be any objection to it from anyone. The main thing they are after is not the medal; it is the extra $1,000 that they are asking the Government to pay.

Mr. GRIFFIN. Oh, no.

Mr. BLANTON. And everyone who invents some little means of better doing the work for the Government will come in and want this $1,000 and a medal.

Mr. CRAMTON. Of course, one purpose is to inspire them to render the service.

Mr. BLANTON. A sense of duty ought to inspire that.

Mr. CRAMTON. However many may make claims, only three can be granted in one year.

Mr. PARKS. Mr. Speaker, I demand the regular order.

The SPEAKER pro tempore. The regular order is demanded. Is there objection?

Mr. BLANTON. Mr. Speaker, while it will not stop its passage, I object.

The SPEAKER pro tempore. It takes three objections. Only one is heard. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the President of the United States is hereby authorized to present, in the name of Congress, bronze medals of honor, with insignia, written testimonials, and honoraria (a) to scientific workers who, while in the employ of the Federal Government, have made outstanding contributions to the advancement of scientific knowledge or the application of its truths in a practical way for the welfare of the human race; (b) to citizens who, while in the employ of the Federal Government, have rendered conspicuous service to humanity at the voluntary risk of life or health over and above the ordinary risks of duty.

SEC. 2. The official designation of the medal of class (a) shall be the Thomas Jefferson medal of honor for distinguished work in science. The official designation of the medal of class (b) shall be the Jesse W. Lazear medal of honor for distinguished self-sacrifice for humanity.

Mr. STAFFORD. Mr. Speaker, I move to strike out the last word. Far be it from me to wish at this time to detract in any way from the memory of that great philosopher and publicist, Thomas Jefferson; but my reading of the history of Jefferson's life and achievements does not bring me to a recollection anywhere that he was identified with any scientific work. Outstanding in my recollection as the man of science in the early history of our Government is Benjamin Franklin. I think he stands out much more prominently as a man of science in the early history of our Government than does Thomas Jefferson. I ask the author of the bill or the chairman of the committee how it comes that the name of Thomas Jefferson should be associated with the medal of honor for distinguished work in science? Did the committee consider the propriety of using the name of Benjamin Franklin or some other outstanding scientist in connection with this medal? We might even go to the living, and consider the name of Thomas Edison. I yield to the gentleman from Massachusetts [Mr. LUCE] to state the reason why the name of Thomas Jefferson is used in connection with a medal of honor for scientific achievement.

The SPEAKER pro tempore. The Chair thinks he was in error in recognizing the gentleman from Wisconsin when he did, because the bill has not yet been entirely read.

Mr. STAFFORD. O Mr. Speaker, some time ago I propounded an inquiry to the then occupant of the chair as to whether in the consideration of a bill on the Union Calendar the proper time for amending it was at the conclusion of the reading of the sections or at the conclusion of the reading of the bill. We are considering this bill in the House as in the Committee of the Whole House. The ruling was made by the then occupant of the chair that the proper time to offer an amendment was at the conclusion of the reading of the sections.

The SPEAKER pro tempore. The Chair will not undertake to decide that question at this time.

Mr. STAFFORD. That is why I proceeded.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Wisconsin. Has the gentleman from Wisconsin offered an amendment?

Mr. STAFFORD. I made the pro forma amendment with the idea of perhaps substituting the name of Benjamin Franklin for the name of Thomas Jefferson. I yield to the gentleman from Massachusetts.

Mr. LUCE. Mr. Speaker, undoubtedly the gentleman's familiarity with the life of Thomas Jefferson is greater than my own, but I have not been wholly without reading a good deal of the story of his life and of his writings. I think the gentleman is in error in not accepting Thomas Jefferson as a man distinguished in his interest in science. To the best of my recollection he took an interest in that subject all through his life, particularly in the matters relating to science connected with agriculture.

Mr. STAFFORD. I did not know that in those early days agriculture was recognized as a science.

Mr. LUCE. I suggest to the gentleman that before he commits himself positively on that he read all of the 25 volumes of the writings of George Washington that are about to be printed.

Mr. STAFFORD. I know that Thomas Jefferson did design his own home at Monticello; that he did have some acquaintance with architectural work; but I never knew that he was ever regarded as a scientist.

Mr. GREENWOOD. Mr. Speaker, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. GREENWOOD. I recall, in visiting Monticello, that there are several inventions in and about the place that were the work of Jefferson himself. I recall the clock that is over the front vestibule that shows the time on both sides. It is a really ingenious arrangement, and there are several mechanical devices.

Mr. STAFFORD. Will the gentleman from Massachusetts please explain how the name of Thomas Jefferson was selected, and also how the name of Jesse W. Lazear was selected?

Mr. LUCE. My interest in this matter was so great, and my fear of my own judgment was so great, that I asked the National Research Council to take up the study of the bill. That council is a semiofficial organization, and the gentleman can easily find its name in the Congressional Directory. I asked it to carefully consider the matter and advise us in respect to it.

Mr. TEMPLE. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. TEMPLE. The gentleman asked about Jesse Lazear.

Mr. STAFFORD. Well, I know something about his work.

Mr. TEMPLE. He was one of the men who undertook a risk of life beyond ordinary duty and sacrificed his life in the investigation of the yellow fever.

Mr. STAFFORD. I am well aware of that.

Mr. TEMPLE. And the cure and prevention of yellow fever is due to his efforts.

Mr. STAFFORD. Anyone can pass encomiums upon either of these gentlemen.

Mr. TEMPLE. I would not have volunteered the information but the gentleman asked for it.

Mr. STAFFORD. I respectfully submit there are other men of outstanding work, especially connected with science, who could more appropriately have their names connected with these medals of honor, than Thomas Jefferson. I will not press the amendment Mr. Speaker.

Mr. GRIFFIN. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. GRIFFIN. The adoption of the name of Thomas Jefferson for the class of medals to be awarded for distinguished service in science was the idea of the late lamented Col. E. Lester Jones, who was the director of the Coast and Geodetic Survey for so many years. His heart was in his work, and I think he was particularly impressed with the grateful recollection that Thomas Jefferson was practically the founder of the Coast and Geodetic Survey, which is the oldest scientific organization of the United States Government. There was no need to add further to the laurels of Benjamin Franklin, since he is the accredited leader of scientific research in this country and his fame is perpetuated by a medal of very high grade which is awarded by the Franklin Institute. In my speech in the House, which was printed in the RECORD of February 5, 1931—page 4066—I included an article by Colonel Jones on the achievements of Thomas Jefferson to which I respectfully refer.

The Jesse W. Lazear medal of honor was agreed upon by the National Research Council as a fitting tribute to that distinguished surgeon, who while in the United States Army of occupation in Cuba, sacrificed his life in his experiments to determine the origin and cure of yellow fever. He voluntarily allowed himself to be infected with the yellow-fever germ in order to observe the progress of the disease. His researches led to the segregation of the germ of that dread disease and was the foundation of effectual methods of prevention, diagnosis, and treatment. As the report on this bill truly states: "His name may well be the symbol of sacrifice on the altar of science."

The pro forma amendment was withdrawn.

The Clerk read as follows:

SEC. 3. That recommendations to the President of persons to be considered for the honors contemplated in this act shall be made by the National Academy of Sciences, which shall consider and recommend on all cases certified to it as especially meritorious by heads of departments and independent offices of the Government.

SEC. 4. That not more than three medals of each class shall be awarded in any one year, and that each person so honored shall receive the sum of $1,000 on the presentation of the medal and testimonial, which said sum shall be in addition to his salary or pension.

SEC. 5. That said medals and awards may be granted posthumously, provided the employee has died after the passage of this act. In that event the cash shall be paid to the widow or widower. In case no widow or widower survives, the award shall go to the child, or be divided among the children of said employees. If there survive no widow, widower, or children, the medal and award shall go to the father and mother of the employee or the survivor of them.

SEC. 6. There is hereby authorized an appropriation to the Smithsonian Institution of $8,500 to defray the expenses of obtaining suitable designs for the medals and providing such medals, testimonials, and awards for the first year, and necessary expenses incidental thereto; and there is hereby authorized an annual appropriation for the purposes herein provided, not exceeding $6,500.

SEC. 7. This act shall take effect immediately.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

ABRAHAM LINCOLN

Mr. ZIHLMAN. Mr. Speaker, I ask unanimous consent to extend my remarks by printing a very able and scholarly address delivered by our colleague, Mr. JOHNSTON of Missouri, upon the occasion of the anniversary of the birth of Abraham Lincoln.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. ZIHLMAN. Mr. Speaker, on the anniversary of the birth of the Great Emancipator, Abraham Lincoln, my friend and colleague, Hon. ROWLAND L. JOHNSTON, from the great State of Missouri, delivered an address before the Young Men's Republican League, of Washington County, Md., on the life, achievements, and outstanding lessons of the great career of the martyred President.

Congressman JOHNSTON'S address made a profound impression upon the people of my State, and I desire, under the leave granted me to extend my remarks, to have same printed in the CONGRESSIONAL RECORD.

The speech is as follows:

Mr. Toastmaster, members of Young Republican League of Washington County, and assembled guests, my pleasure in being among you on this memorial occasion is sincere, and I am not unmindful of the honor conferred upon me by your committee on arrangements in according to me the esteemed privilege of addressing this splendid gathering whose countenances register the true spirit of American patriotism.

Mr. Toastmaster, the subject of my remarks on this occasion has justly called forth the greatest eloquence of which the human voice is capable, a subject that, mindful of my own mediocrity, I approach with awe and timidity. If I make use of platitudes and the words and thoughts of others, I ask your indulgence of the fault.

One hundred and twenty-two years ago to-day an infant boy first opened his eyes to the world in a rude cabin in the Kentucky hills, and from that moment the star of destiny in all its resplendent glory marked that child for its own. That child was Abraham Lincoln, destined to become the most colossal figure in enduring statesmanship the world has ever known. Did he advance by rapid strides to the dizzy heights of fame? Was he the favored son of fortune? Did circumstances or opportunity clear the barriers and obstructions from his path to success? No! Lincoln, more than any other successful statesman of the ages, past and present, was beset, engulfed, and entangled with difficulties, opposition, and failures that would have quenched the fires of ambition, smothered the hopes, and ended the career of any save a Lincoln.

And here, if you will pardon the brief digression, I will voice a thought that has frequently come to me—that of the difference between the career of the statesman and that of success attained in any other calling or vocation. Statesmen, even the greatest, have rarely won the same recognition, the same permanency in the annals of history, as falls to the lot of the man of military fame, of art, of science, or literature. Alexander, Napoleon, Grant, Lee, Foch, all are remembered for their military achievements; Mozart, Verdi, Strauss, for their masterful achievements in the realm of music; the artist lives in his canvas, the scientist by his invention.

Even our own Washington, whose name we revere, calls to mind his career from Valley Forge to the British surrender at Yorktown, statesman though he was. The commander of an army has it subjected to his will. His objective must be attained, though the death of thousands be the price. He knows that his country awaits to acclaim him the victor over its enemies. One campaign, one signal victory, and his fame is secure. The applause of an opera acclaiming its success, and its creator knows that he has won a coveted place in the world of music; and so it is with the great inventor, author, or poet. Their names adorn the hall of fame, often as the result of a single successful achievement. But with the statesman how different! For him there is no such exact measure of greatness. He can not mold the minds of a heterogeneous people to think and reason his way and his alone. He must do all his work in a society of which a large part can not see his object and another large part, as far as they do see it, oppose it. Hence his work at best is often incomplete, and he has to be satisfied with the rough average in lieu of his ideal.

What I have just said is not altogether a digression. It may be used by way of illustration, for Lincoln, one of the few preeminent statesmen of all centuries, was no exception to the rule enunciated. From the time he entered the arena of public life to the early morning of his tragic death he met with misunderstanding and opposition. We will not dwell to-night upon his early manhood, his struggles with poverty, hardship, and toil, his lack of books with which to satisfy his insatiable appetite for reading, for all this is of universal knowledge.

Briefly, I will deal with his latter years. At the time of his first election to the Presidency in 1860 this Nation was even then on the threshold of armed rebellion. Proslavery and antislavery had long been widening the breach between North and South, involving the West and our Territorial possessions into the seething caldron of bitter dissension. The binding force of the Missouri compromise was challenged. Guerrilla warfare waged along the Missouri-Kansas border. The fugitive slave law was being violated with impunity. The administration of President Buchanan, weak and impotent, had lost the confidence of the people.

Just prior to the election the fanatic, John Brown, had made his raid upon Harpers Ferry in an attempt to incite a slave insurrection, followed by his execution on December 2. And even while Lincoln was journeying from Springfield, Ill., to Washington to assume the Presidency Jefferson Davis was chosen as President of the Southern Confederacy at a convention held at Montgomery, Ala. And these were the conditions, and even worse, that Lincoln, of humble birth, meager learning, and untried in executive ability, was called upon to cope with to bring order out of chaos.

The Nation faced the greatest crisis in its history. Treason, sedition, betrayal, and desertion permeated every branch of the Government. The Union of States, one and indivisible, was tottering upon its base, and in the midst of this wild hysteria of contending factions, torn by fear, hate, and jealousies, there was one master mind that seized the helm of State saying, "This Union shall be preserved." It was the voice of Lincoln speaking those prophetic words. Undiscouraged, unperturbed, he viewed the situation as a game of chess. He knew his own weakness and he knew his own strength, and, likewise, he weighed the strength of the enemy against its weakness. Towering above all obstacles, his powerful intellect molded the thoughts of the Nation to his own indomitable will by the very simplicity of his judgment, a simplicity wherein lay its controlling force; this intellectual giant of statesmanship broke the will of objectors and dissenters and subjected it to his own. He heard within his soul the voice of the sheeted dead who died on the battlefields of the War for Independence, died that liberty might live. The blood of these heroic dead cried out for the preservation of the Union lest they had died in vain.

The shades of the signers of the Declaration of Independence held that sacred document before his steady gaze with the silent command, "To you, Lincoln, is intrusted the fulfillment of this solemn declaration of principles upon which the Union stands; its preservation inviolate is your responsibility."

In accepting that executive trust, that responsibility, the like of which had never been thrust upon a potentate of ancient times or ruler of nations down to our present day, the acid test had come, and with it the revelation of Lincoln's supergreatness as the one man master of the arena wherein the contending forces of a mighty nation were the performers. The eyes of the world were upon him, both at home and abroad. England and France, with their pretended policy of neutrality, wondered and doubted if the Union could survive the strain and were ever ready to recognize a confederacy of Southern States, while Lincoln, disdaining a thought upon any subject save that of the Union preserved, threw that irresistible force of leadership into the gigantic task before him, resolved that not a star should be dimmed in the silken folds of Old Glory; that it should ever wave o'er the land of the free and the brave, its stars as resplendent as those of the heavenly dome, burning like beacons of hope, guiding the oppressed to the light of liberty and freedom.

Wherein lies Lincoln's greatness? As a man, the beautiful simplicity of his nature, his love of truth, of righteousness. He delved deep into the souls of his fellow beings and from that vantage ground he learned to know and understand mankind; he sympathized with its weakness, forgave its faults, and was ever ready to succor its distress. As a statesman—why dwell upon it? It is testified to in the most enduring pages of the world's history. His unrivaled achievements and accomplishments are an answer to the question. His moral convictions as a ruler of men may be summed up in that phrase which was so often on his lips: "If this must be done, I must do it."

What a clear, understandable distinction he could draw between right and wrong! He denounced the Rebellion as a grievous wrong and denied the right of the Southern States to secede, and yet upheld the right of the Colonies to rebel against the British Government. Here is his distinction, and I will try to quote his own words: "Anyone may have a moral right to secede from any State for the purpose of securing some moral end, such as personal liberty, which is incompatible with citizenship of that State." Our Colonies were fortified with this moral right to confederate together against a common wrong, while, on the other hand, the Southern States rebelled against the Union of States in an effort to perpetuate a moral wrong.

Lincoln recognized the rights of property in the slaveholder, at the same time condemning the principle. Again and again he recommended gradual emancipation by purchase as a policy of economy. He weighed the terrible cost of war in human lives, money, and property damage as against the comparative small cost of purchase of the slaves from their owners. Why, to think, the aftercost of the Civil War in pensions alone would have purchased thrice over every slave that had ever lived within our borders! Had this policy been adopted, the strife would have ceased, bitterness would have turned to praise, the Union would have risen proudly from the conflict, the flag would have waved over a united people, loved and revered by all. But no; the slaveholder rejected it; the radical abolitionist of the North rejected it. Lincoln loved the South as an integral part of the Union; he loved its people, and they ever had his heartfelt sympathy in their dark hours of distress. While others saw only the panorama of battle and the immediate present, he visioned the future, bringing with it the inevitable days of reconstruction which he knew were bound to come. Many there were of northern radicals who, while wildly clamoring that Jefferson Davis be hung as a traitor, were ready to treat with him as the accredited representative of the rebellious States. Lincoln, on the other hand, would not have harmed a hair of his head, though he would have died before he would have recognized him as the head of a confederacy of States which still were of the Union, and where he was determined they should ever remain.

I have touched briefly and hurriedly upon his achievements, his powers as a leader of men, his force in shaping the destinies of a great nation, marking him as a statesman, the greatest among the great. Now, let us turn to the human of him, the soul and heart of him.

Why is it that no other name in the long roll of distinguished statesmen stirs the heart of a nation so deeply as does that of Abraham Lincoln? It is not enough to say that he was a wise and patriotic President, who died a martyr to a great cause. We have had other wise and patriotic Presidents. The memory of Washington we revere; Jefferson, we admire; Lincoln, we love. His memory is enshrined in the heart of the Nation and there is none so close as he to the source of tears and emotion. This can not be explained by the fact that he rose by manly effort from the humblest ranks of backwoods life to the highest position in the gift of a people. It can not be accounted for by the fact that he was a noble embodiment of that splendid spirit of self-reliance that is bred of generations of lonely struggle in the shadow of the forest primeval.

These things are a part of the reason for the esteem in which we hold Lincoln, as is his inexhaustible humor, his intense earnestness, his tireless industry, his honesty and fairness, his courage, and steadfastness of purpose. His homely and unaffected words and ways had something to do with his popularity and so had his sturdy common sense. But not all these commendable traits could make a Lincoln without something additional; nor is the secret revealed by naming what is usually regarded as the crowning trait of his magnificent character—the fact that he always sought the right as God gave him to see the right. This will explain much, but it will never explain the flood of tender emo-

tion that wells up from the human heart at mention of his incomparable name.

Mr. Toastmaster and friends, I believe that the true secret of our love for Lincoln was his own love for his fellow men. In his giant, ungainly form there was a heart of infinite human sympathy, and this, above all other of his noble traits, created the imperishable halo that lingers around the memory of this man of sorrow, as he is often called, a sorrow that he felt for the distress of others.

It was this same deep, human sympathy that enabled him to hold that marvelous balance of judgment which could put the Union above all else and could hold back emancipation until the right time had come. He could put himself in the place of the citizen of the border States and feel that any radical move would impede the preservation of the Union itself. This note of human sympathy sounded forth in his first inaugural address; it ran through his relations with the soldiers of the Union Army and animated his last acts as it did his first.

My friends, the fast-falling shadows of the past leave few names of men not enshrouded by their gloom. Many of the heroes of to-day will be lost to sight in the dimness of the approaching twilight. To-morrow's sun will lighten up new shrines surrounded by tireless hosts of hero worshipers. But the lustrous diadem of immortal glory, crowning the brow of the great emancipator, the great reconciler, the great humanitarian, will never lose a ray of its eternal light. At mention of his name the human breast will thrill until nature's clock shall have ceased to beat upon the shores of time. The star of hope ever beamed within the heart of Lincoln. It ruled his life and consecrated his deeds. Others turned their backs and bowed their heads in despair and trembled in fear for the Union's future. He, through densest darkness, saw with prescient light and gaze the glory of the coming dawn.

Mr. Toastmaster, our love and admiration for Lincoln, our reverence for his name and memory, is now universal. The doctrines and principles for which he lived and died have journeyed far from the homeland into foreign lands 'neath alien skies, carrying their message of hope and courage into the humblest walks of life. They guide and mold the thoughts and actions of the nations of the earth that search for the true spirit of justice and righteousness in government. But, alas! this was not always so. The tongues of calumny and falsehood were not silenced by his untimely death, and the fangs of venom continued to strike. But now all this bitterness, all vile slander lies buried in the deep shadows of the past and time has placed upon that unhallowed ground the seal of forgetfulness, while the name of Lincoln, in all its transcendent glory, like the Phoenix bird of ancient mythology, has risen from the dead ashes of the past and reigns supreme in the hearts of a grateful Nation. From the land of Dixie, where the Swanee River flows, the southern breezes sing his praise. Among palmetto groves from base of southern mountains to lofty summit heights ring the glad echoes of his name—a name now enshrined in the hearts of all, both North and South, both East and West.

Through all the vanishing after years the name of Abraham Lincoln shall endure, defying ages yet to come to dim its luster, and as the cycles of time move on his memory shall ever remain as the greatest heritage left to humanity by mortal man, and when we think of all that he was to his country and of all that he is to us to-day, truly we can say, "O Death, where is thy sting? O Grave, where is thy victory?" How fitting seems this close upon his life:

"In the beauty of the lilies
Christ was born across the sea,
With a glory in his bosom
That transfigures you and me;
As He died to make men holy,
Let us die to make men free."

MARINE BAND ATTENDANCE AT YORKTOWN, VA.

The Clerk called the next bill on the Consent Calendar, H. R. 15622, to authorize the attendance of the Marine Band at the sesquicentennial celebration, to be held at Yorktown, Va., in October, 1931.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SCHAFER of Wisconsin. Mr. Speaker, I object.

CONSTRUCTION OF DAM ACROSS THE OWYHEE RIVER

The Clerk called the next bill on the Consent Calendar, H. R. 16302, to authorize an investigation with respect to the construction of a dam across the Owyhee River within the Duck Valley Indian Reservation, Nev., and for other purposes.

Mr. COLLINS. Mr. Speaker, reserving the right to object, this is not some power scheme, is it?

Mr. ARENTZ. No; there is no power involved here at all. This is merely for an examination or for the completion of an investigation of a dam site, and is not for the construction of a dam.

Mr. COLLINS. Is this for the benefit of the Indians?

Mr. ARENTZ. Only for the benefit of the Indians. It is to give something to the Indians that they otherwise would not have. It is to protect them from the encroachments of the whites. That is what the bill is for.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $10,000, or so much thereof as may be necessary, to enable the Secretary of the Interior to make further surveys, investigations, and completion of inspection of foundation of Reed Creek Reservoir site for purpose of constructing a dam across Owyhee River, to be located within the Duck Valley Indian Reservation, Nev.

Mr. ARENTZ. Mr. Speaker, I offer four amendments, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment by Mr. ARENTZ: Page 1, line 5, strike out "$10,000" and insert in lieu thereof "$15,000."

Mr. UNDERHILL. Will the gentleman from Nevada explain the necessity for this amendment?

Mr. STAFFORD. Mr. Speaker, it is generally accepted that when a bill is up for consideration and there is no objection, the bill is acceptable to the mover of the bill, and the bill goes through as is. The gentleman is now increasing the authorization 50 per cent. What is the occasion for this increase?

Mr. ARENTZ. I want to say to the gentleman that when the report came down to me and the form of the bill was presented to me, $15,000 was recommended by the Secretary of the Interior and the Commissioner of Indian Affairs. I thought $10,000 was enough, and I told them so. I said that all I wanted was an investigation of this dam site and a few borings made. The Secretary came back with his report, which I have here, and said that $10,000 is not enough and that it will take $15,000 to do the work we want because we want not only to examine Red Creek but two other creeks.

Mr. STAFFORD. Mr. Speaker, that is sufficient information, and I withdraw my opposition.

The amendment was agreed to.

The Clerk read as follows:

In lines 7 and 8, change the word "foundation" to foundations," and insert immediately thereafter in line 8 the following words: "And preparation of plans and specifications."

The amendment was agreed to.

The Clerk read as follows:

In line 8, after the word "Creek," insert the words "and other"; also, in line 8, change the word "site" to "sites."

The amendment was agreed to.

The Clerk read as follows:

In line 9, after the word "dam," insert the words "or dams"; also, in line 9, after the word "River," insert the words "or other streams"; also, in line 9, after the word "within," insert the words "or adjacent to."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that the title be amended to conform with the amendments just adopted.

The SPEAKER. Without objection, it is so ordered.

ATTENDANCE OF THE MARINE BAND AT THE SESQUICENTENNIAL CELEBRATION, YORKTOWN, VA.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent to return to Calendar No. 961, the bill (H. R. 15622) to authorize the attendance of the Marine Band at the sesquicentennial celebration to be held at Yorktown, Va., in October, 1931, which I objected to.

I understand an amendment will be offered which will clarify the language of the bill and prove satisfactory to everyone concerned.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the title of the bill.

Mr. JENKINS. Mr. Speaker, reserving the right to object, I would like to know what is the proposed amendment.

Mr. SCHAFER of Wisconsin. The amendment will be to strike out the proviso commencing on page 2, line 3, and insert the words "and subsistence," after the word "expenses" in line 9, on page 1.

Mr. JENKINS. That does the same thing that my proposed amendment would have done and I therefore withdraw any objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President is authorized to permit the band of the United States Marine Corps to attend and give concerts at the celebration to be held at Yorktown, Va., in the month of October, 1931, to commemorate the surrender of Lord Cornwallis and the establishment of American independence.

SEC. 2. For the purpose of defraying the expenses of such band in attending and giving concerts at such celebration there is authorized to be appropriated the sum of $3,012, or so much thereof as may be necessary, to carry out the provisions of this act: *Provided*, That in addition to transportation and Pullman accommodations the leaders and members of the Marine Band be allowed not to exceed $5 per day each for actual living expenses while on this duty, and that the payment of such expenses shall be in addition to the pay and allowances to which they would be entitled while serving at their permanent station.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I offer the following amendments:

The Clerk read as follows:

Amendments by Mr. SCHAFER of Wisconsin: Page 1, line 9, after the word "expense," insert the words "and subsistence."

In line 3, page 2, strike out the semicolon, insert a period, and strike out the remainder of the bill.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

PAY AND ALLOWANCES FOR OFFICERS AND MEN ON VESSELS OF THE DEPARTMENT OF COMMERCE

The Clerk read the title of the next bill on the Consent Calendar, H. R. 16696, to authorize the Secretary of Commerce to continue the system of pay and allowances, etc., for officers and men on vessels of the Department of Commerce in operation as of July 1, 1929.

Mr. GREENWOOD. Reserving the right to object, I want to inquire if this is to continue the method of paying the employees of the Commerce Department as it is now being carried on in order to set aside a ruling of the Comptroller General?

Mr. MERRITT. It is.

Mr. GREENWOOD. I want to ask the gentleman whether it would be cheaper to continue the present method for the Federal Government or whether it would be less expensive to come under the classification as the Comptroller General rules?

Mr. MERRITT. The ruling of the Comptroller General would require a classification and it would cost the Government $67,000. The present method has been in use for a long time and since the classification bill was passed. The comptroller last September changed his previous ruling, but, as I say, it will increase the cost to the Government by $67,000 and be of no benefit to the men, who do not want it.

Mr. GREENWOOD. The officers and men of the Coast and Geodetic Survey and the Lighthouse Department believe it will be just as serviceable to the Government and less expensive.

Mr. MERRITT. Yes. I ask unanimous consent to substitute the bill S. 5962 for the House bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of Commerce is authorized, in his discretion, to continue the system of pay and allowances, including allowances for longevity, for officers and men on vessels of the Department of Commerce, that was in operation as of July 1, 1929, until such time as legislation shall be enacted pursuant to section 2 of the act approved May 28, 1928 (45 Stat. 785), or similar legislation affecting the classification of vessel employees in the field service of the Government.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A similar House bill was laid on the table.

BRIDGE ACROSS THE STAUNTON RIVER AT BROOKNEAL, VA.

The Clerk read the title of the next bill on the Consent Calendar, S. 5114, an act to legalize bridges across the Staunton River at Brookneal, route No. 18, Campbell County, and at Clover, Halifax County, route No. 12, State of Virginia.

Mr. UNDERHILL. Mr. Speaker, I notice that there are a whole page of bills reported from the Committee on Interstate and Foreign Commerce with reference to bridge bills, to which there is very seldom any objection. I was wondering if we could not consider them en bloc.

Mr. LAGUARDIA. No; we can not do that; we have tried it and it is not a success.

The SPEAKER pro tempore. Is there objection to the consideration of this bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the highway bridges built by the authorities of the State of Virginia across the Staunton River at Brookneal, on Route No. 18, Campbell County, and at Clover, Halifax County, on Route No. 12, are hereby legalized and the consent of Congress is hereby given to their maintenance by the said State for the use of the general public: *Provided*, That any changes in said bridges which the Secretary of War may deem necessary and order in the interest of navigation shall be promptly made by the said State.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

BRIDGE ACROSS CHESAPEAKE BAY

The Clerk called the next bill, S. 5255, to extend the time for the construction of a bridge across the Chesapeake Bay.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge authorized by act of Congress approved February 15, 1927, and by act of Congress approved April 10, 1928, to be built by the Chesapeake Bay Bridge Co., a corporation, across the Chesapeake Bay heretofore extended by acts of Congress approved April 10, 1928, and June 21, 1929, are hereby further extended one and three years, respectively, from the date of approval hereof.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS PIGEON RIVER, MINN.

The Clerk called the next bill, S. 5392, to legalize a bridge across the Pigeon River at or near Mineral Center, Minn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the bridge heretofore constructed by the State of Minnesota, across the Pigeon River at or near Mineral Center, Minn., and located on Trunk Highway No. 1, connecting the State of Minnesota and the Province of Ontario, Canada, shall be a lawful structure and shall be subject to the conditions and limitations of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, other than those requiring approval of plans by the Secretary of War and Chief of Engineers before the bridge is commenced.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BRIDGE ACROSS MISSOURI RIVER, BROWNVILLE, NEBR.

The Clerk called the next bill, S. 5473, to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Brownville, Nebr.

Mr. LAGUARDIA. I object.

BRIDGE ACROSS MISSOURI RIVER, DECATUR, NEBR.

The Clerk called the next bill, H. R. 16154, to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Decatur, Nebr.

Mr. LAGUARDIA. I object.

BRIDGE ACROSS RED RIVER OF THE NORTH

The Clerk called the next bill, H. R. 16334, to extend the times for the commencement and completion of the bridge of the county of Norman and the town and village of Halstad, in said county, in the State of Minnesota, and the county of Traill and the town of Herberg, in said county, in the State of North Dakota, across the Red River of the North on the boundary line between said States.

The SPEAKER pro tempore. Is there objection?

Mr. HOWARD. Mr. Speaker, I rise to make a statement.

The SPEAKER pro tempore. The Chair does not recognize gentlemen to make statements. The gentleman from Nebraska can object or reserve the right to object.

Mr. HOWARD. I am not fully acquainted with peremptory language, but I desire to make a reservation.

The SPEAKER pro tempore. The gentleman is recognized.

Mr. HOWARD. Mr. Speaker, I want to help conduct the legislation here in an orderly manner, if I can. I recognize the right of every gentleman to lodge objection, but if it is to be the practice to object to one of these bills for an extension of time, why not all of them? It does not seem fair otherwise. I want to protect the interests of my own people, but I do not want to injure the interests of any other people. It does seem to me cruel that a little extension bill of mine should be objected to, while the one right next to it should not be objected to.

Mr. LAGUARDIA. Mr. Speaker, will the gentleman yield?

Mr. HOWARD. Yes.

Mr. LAGUARDIA. I think the gentleman is entitled to an answer to that. The answer is very simple. These matters are submitted to the Bureau of Public Roads, and they look into the facts and make recommendation. I assume the gentleman is referring to H. R. 16154. That bureau recommends as follows:

When the original bill to authorize construction of this bridge was pending in Congress adverse report thereon was submitted by this department. It still is the view of the department a private toll bridge should not be constructed at this point. It therefore recommends against further extending the time, as proposed in the bill.

Many of the bills not objected to are permits given to States or political subdivisions of States to construct and operate bridges. Some private toll bridge bills get by by being passed first in the Senate and then coming over here and being called up as a privileged matter. In that case I can not object. The next time the gentleman's bill is called it will require three objections. I am not going to put myself up against the House, and I would not if I could; but I can at least attempt to break down this monopoly in toll bridges by following the recommendation of the Bureau of Public Roads. The gentleman knows that I would not arbitrarily or without reason object to any matter in which he is interested.

Mr. HOWARD. I know the gentleman is always very sweet in his treatment of me. I merely want to know whether he is going to deal with all others with like sweetness.

Mr. LAGUARDIA. I am.

Mr. HOWARD. Very well.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Without objection, the Clerk will report the committee amendment.

The Clerk read as follows:

Strike out all after the enacting clause and insert:

That the act approved July 1, 1922, granting the consent of Congress to the county of Norman and the town and village of Halstad, in said county, in the State of Minnesota, and the county of Traill and the town of Herberg, in said county, in the State of North Dakota, to construct, maintain, and operate a bridge and approaches thereto across the Red River of the North, at or near the section line between sections 24 and 25, township 145 north, range 49 west, fifth principal meridian, on the boundary line between Minnesota and North Dakota, be, and the same is hereby, revived and reenacted.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The committee amendment was agreed to, and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

The title was amended to read: "An act to revive and reenact the act entitled 'An act granting the consent of Congress to the county of Norman and the town and village of Halstad, in said county, in the State of Minnesota, and the county of Traill and the town of Herberg, in said county, in the State of North Dakota, to construct a bridge across the Red River of the North, on the boundary line between said States,' approved July 1, 1922."

BRIDGE ACROSS BLACK RIVER, POCAHONTAS, ARK.

The Clerk called the next bill, H. R. 16337, to extend the times for commencing and completing the construction of a bridge across Black River, at or near Pocahontas, Ark.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Black River at or near Pocahontas, Ark., authorized to be built by the Arkansas State Highway Commission, by act of Congress approved April 12, 1930, are hereby extended one and three years, respectively.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Line 8, after the word "respectively," insert "from April 12, 1931."

The committee amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BRIDGE ACROSS MISSISSIPPI RIVER, BATON ROUGE, LA.

The Clerk called the next bill, H. R. 16246, to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Baton Rouge, La.

Mr. LAGUARDIA. Mr. Speaker, I object.

BRIDGE ACROSS MISSOURI RIVER AT NIOBRARA, NEBR.

The Clerk called the next bill on the Consent Calendar, H. R. 16254, to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebr.

Mr. LAGUARDIA. I object.

BRIDGE ACROSS OHIO RIVER AT THE LICKING RIVER

The Clerk called the next bill on the Consent Calendar, H. R. 16416, authorizing the Dixie Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River and the Licking River at or near the junction of the Ohio and Licking Rivers to connect Cincinnati, Ohio, with Covington, Ky., and Newport, Ky.

Mr. LAGUARDIA. I object.

Mr. THATCHER. Will the gentleman reserve his objection?

Mr. LAGUARDIA. I reserve it.

Mr. THATCHER. The author of the bill is absent to-day on account of illness. I am wondering if the gentleman from New York is unyielding and obdurate in his objection?

Mr. LAGUARDIA. If the gentleman will convince the Bureau of Public Roads that the bill should be passed, I will withdraw my objection.

Mr. THATCHER. They object to any bridge that is not a municipally owned or toll-free bridge. They do that on general principles, but the House does not respect the judgment of the Bureau of Public Roads on that question.

Mr. LAGUARDIA. I am one Member of the House who does.

Mr. THATCHER. If the gentleman is obdurate, of course that is his privilege.

Mr. LAGUARDIA. I object, Mr. Speaker.

BRIDGE ACROSS THE ST. FRANCIS RIVER AT MADISON, ARK.

The Clerk called the next bill on the Consent Calendar, H. R. 16419, granting the consent of Congress to the Arkan-

sas State Highway Commission to construct, maintain, and operate a free highway bridge across the St. Francis River at or near Madison, Ark., on State Highway No. 70.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Arkansas State Highway Commission and their successors and assigns to construct, maintain, and operate a free highway bridge and approaches thereto across the St. Francis River, at a point suitable to the interests of navigation, at or near Madison, Ark., on State Highway No. 70, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

BRIDGE ACROSS ST. CLAIR RIVER AT PORT HURON, MICH.

The Clerk called the next bill on the Consent Calendar, H. R. 16471, to extend the times for commencing and completing the construction of a bridge across the St. Clair River at or near Port Huron, Mich.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the St. Clair River at or near Port Huron, Mich., authorized to be built by the Great Lakes Bridge Commission by an act of Congress approved June 25, 1930, are hereby extended one and three years, respectively, from June 25, 1930.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 8, strike out the figures "1930" and insert "1931."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

QUAY IN MILBURN CREEK, BALDWIN HARBOR, N. Y.

The Clerk called the next bill on the Consent Calendar, H. R. 16632, to legalize a quay in Milburn Creek at Baldwin Harbor, N. Y.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the quay owned by Daniel S. Quigley, located in Milburn Creek at Baldwin Harbor, Nassau County, N. Y., be, and the same is hereby, legalized to the same extent and with like effect as to all existing or future laws and regulations of the United States as if the permit required by the existing laws of the United States in such cases made and provided had been regularly obtained prior to the erection of said quay: *Provided*, That any changes in said quay which the Secretary of War may deem necessary and order in the interest of navigation shall be promptly made by the owner thereof.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

MODIFICATION OF BOUNDARY LINE, PANAMA CANAL ZONE

The Clerk called the next bill on the Consent Calendar, H. R. 15608, to authorize the modification of the boundary line between the Panama Canal Zone and the Republic of Panama, and for other purposes.

Mr. COLLINS. Reserving the right to object, has the gentleman inquired into the cost of the land that is in controversy here?

Mr. TEMPLE. There is no cost at all. It is a mere transfer of land that belongs to the United States Government and is now under control of the War Department. It is adjacent to the city of Panama, and, of course, a legation building for the American minister to Panama can not be built outside the Republic of Panama. In order to get a site in Panama free of cost the proposal is to change the boundary of Panama so as to throw a few acres of American ground into the Republic of Panama and construct on it our legation building. It will cost nothing but the bookkeeping between the War Department and the State Department; that is, nothing at all.

Mr. COLLINS. The statement that I have before me states it is a modification of a boundary line between the Panama Canal and the Republic of Panama.

Mr. TEMPLE. That is correct.

Mr. COLLINS. And deals with a parcel of land, and I want to find out about the cost, if there is any cost.

Mr. TEMPLE. There is no cost. It is a point of land adjacent to the city of Panama and is quite suitable for a legation building. When we transfer the land and put it inside the Republic of Panama we retain all rights of private ownership and the right to build military roads and all that. The War Department is thoroughly satisfied and the State Department will be grateful if there is no objection.

Mr. THATCHER. This is a very beautiful location.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That with respect to that parcel of land in the Panama Canal Zone known as the Paitilla Point Military Reservation, title to which was acquired by the Government of the United States under the conventions concluded on November 18, 1903, and September 2, 1914, between the United States and Panama, the Secretary of State be, and he is hereby, authorized and empowered to effect with the Republic of Panama a modification of the boundary line between the Panama Canal Zone and the Republic of Panama so that such line shall then run as follows:

Beginning at a concrete monument marked "E," which is a point on the line on the north boundary of the Paitilla Point Military Reservation as shown on Panama Canal Drawing No. X–6053–1, whose geodetic coordinates are latitude 8° 58′ plus 4,445.06 feet and longitude 79° 31′ plus 923.50 feet, and following along a course of south 33° east for 790 feet to a concrete monument marked "F"; thence along a course of south 21° 45′ east for a distance of 490 feet to a concrete monument marked "G"; thence along a course of south 52° west for 870 feet to a concrete monument marked "H"; thence along a course of south 76° 30′ west for 780 feet more or less to a point marked "I" on the map, which is an imaginary point located on the center line of the Matasnillo River, which forms the west boundary of the military reservation. All bearings are true. All coordinates are referred to the Panama Colon Datum.

SEC. 2. Nothing contained in this act shall be construed to authorize the Secretary of State to convey or to surrender to the Government of Panama the title which the Government of the United States now holds in that parcel of land which may be detached from the Panama Canal Zone by virtue of the provisions of section 1 of this act.

SEC. 3. No civil or criminal case that may be pending in the courts of the Panama Canal Zone at the time this act shall become effective shall be affected thereby, either as to its present status or as to future proceedings, including final judgment or disposition.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

TO AMEND THE NATIONAL PROHIBITION ACT

The Clerk called the next bill on the Consent Calendar, H. R. 11199, to amend sections 22 and 39, Title II, of the national prohibition act.

Mr. SCHAFER of Wisconsin. Reserving the right to object, Mr. Speaker, I would like the proponent of this bill, or a member of the Committee on the Judiciary, preferably an antiprohibition member, to explain briefly the necessity for the enactment of the pending bill.

Mr. CHRISTOPHERSON. This is merely a matter of the correction of the procedure allowing service by publication in these cases just the same as in other civil matters.

Mr. SCHAFER of Wisconsin. Will its enactment make it easier to create injustices in padlock proceedings?

Mr. CHRISTOPHERSON. It will create no injustice whatever.

Mr. WILLIAMSON. I understood the gentleman from Wisconsin [Mr. SCHAFER] to say he wanted an explanation from an antiprohibition member. Does the gentleman come within that category?

Mr. CHRISTOPHERSON. I did not hear that statement. I certainly do not.

Mr. SCHAFER of Wisconsin. In view of the statement of the antiprohibition member of the Committee on the Judiciary, I do not object.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 22, Title II, of the national prohibition act (sec. 34, title 27, U. S. C., sec. 22, Title II, ch. 85, pt. 1, vol. 41, U. S. Stat. L.) be, and the same is hereby, amended by adding the following:

"If in any proceeding under this section it is made to appear to the court that any person or persons unknown have or claim an interest in such room, house, building, structure, boat, vehicle, or place, or some part thereof, which would be affected by the order prayed for, it may order that such person or persons unknown be made parties by designating them as unknown owners of or claimants of some interest in the property described, and such person or persons, and any defendant or defendants who are absent from the jurisdiction, or whom, whether within or without the jurisdiction, it is impracticable to serve otherwise, or who are shown to the satisfaction of the court to be concealing themselves for the purpose of evading service of process or any order of the court, may be served in accordance with the provisions of section 57 of the Judicial Code (U. S. C., title 28, sec. 118)."

SEC. 2. That section 39, Title II, of the national prohibition act (U. S. C., title 27, sec. 62) be, and the same is hereby, amended to read as follows:

"SEC. 39. In all cases wherein the property of any citizen is proceeded against or wherein a judgment affecting it might be rendered, and the citizen is not the one who in person violated the provisions of the law, summons must be issued in due form and served personally, if said person is to be found within the jurisdiction of the court, or there must be substituted service as provided in section 22 of this title (U. S. C., title 27, sec. 34) as amended by this act."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

ADDITIONAL JUDGE OF DISTRICT COURT OF THE UNITED STATES FOR THE EASTERN DISTRICT OF NEW YORK

The Clerk called the next bill on the Consent Calendar, H. R. 12059, to provide for the appointment of an additional judge of the District Court of the United States for the Eastern District of New York.

Mr. BOYLAN, Mr. COLLINS, and Mr. GREENWOOD objected.

APPOINTMENT OF TWO ADDITIONAL DISTRICT JUDGES FOR THE SOUTHERN DISTRICT OF NEW YORK

The Clerk called the next bill on the Consent Calendar, H. R. 12032, to provide for the appointment of two additional district judges for the southern district of New York.

Mr. BOYLAN, Mr. COLLINS, and Mr. GREENWOOD objected.

TO MAKE PERMANENT CERTAIN TEMPORARY JUDGESHIPS

The Clerk called the next bill on the Consent Calendar, H. R. 14055, to make permanent certain temporary judgeships.

Mr. BOYLAN. I object.

TO AMEND SECTION 284 OF THE JUDICIAL CODE

The Clerk called the next bill on the Consent Calendar, S. 4425, to amend section 284 of the Judicial Code of the United States.

Mr. BOYLAN. I object.

ORGANIZATION OF AGRICULTURAL CREDIT CORPORATIONS

The Clerk called the next bill, S. 5441, to assist in the organization of agricultural credit corporations.

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, this bill sets aside $5,000,000 of the $45,000,000 appropriated by Public Resolution 115, approved January 15, 1931. I do not exactly understand the operation of it. If the $45,000,000 was for the relief of farmers in the drought-stricken areas, then why does the gentleman want to take $5,000,000 from that and make loans through intermediate credit banks?

Mr. HAUGEN. No money will be available under the $45,000,000 to take care of livestock, milk cows, and other matters outside of the seed.

Mr. JENKINS. Under this bill, will it be permissible to use the $5,000,000 for dairymen, use it to buy feed for their cattle?

Mr. HAUGEN. They will subscribe to the stock, and then they will make loans through the intermediate credit banks.

Mr. JENKINS. Here is my interest in this thing: My district, in southern Ohio, was badly stricken by this drought condition, and the $45,000,000 bill which we passed did not bring our people the relief that was expected, because it contained no provision whereby they could buy feed for milk cows.

Mr. HAUGEN. This will take care of that very thing, and that is the purpose of the bill.

Mr. JENKINS. I am glad to receive that information, because that would be a very fine amendment.

Mr. STAFFORD. I do not recall exactly the phraseology of the extended provision for farm relief passed last week whereby we provided additional authority and loans to credit associations. As I understand this bill, it is to provide similar relief. Wherein is it necessary, in view of the Senate amendment that was agreed to by the House conferees on the Interior Department appropriation bill? In that amendment there was a specific provision granting additional authority to credit associations. In Arkansas and other States, in order to provide for rehabilitation, it was necessary to provide financing. The Senate amendment made provision for that very condition. This bill was reported before that agreement was had, and I am wondering whether you are not duplicating the authority as carried in the Senate amendment to the Interior Department appropriation bill which is now law?

Mr. HAUGEN. This is simply to permit various localities to provide for their local banks and that they may apply to the intermediate credit banks.

Mr. STAFFORD. As I recall, that was the purpose of the Senate amendment. Is the gentleman acquainted with the Senate amendment that was agreed to?

Mr. HAUGEN. No; I am not.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

OIL-SHALE LANDS

The Clerk called the next bill, H. R. 15002, concerning oil-shale lands.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

Mr. COLTON. Will the gentleman withhold that request?

Mr. STAFFORD. Yes.

Mr. COLTON. Since the printing of the report the Secretary of the Interior has transmitted to the chairman of the committee a letter indorsing this legislation, and I think if permission were given to read this letter it would probably remove the gentleman's objection.

Mr. STAFFORD. I have read the letter of the Secretary of the Interior under date of November 6, 1930.

Mr. COLTON. In that letter the Secretary called attention to the necessity for clarifying legislation, and since then the committee has held extensive hearings and reported out this bill. I have in my hand a letter dated February 12, in which the Secretary says that some legislation is absolutely imperative.

Mr. STAFFORD. I thought it was a matter of some importance when you provide $500 to be paid by any entrymen in lieu of $100 worth of work yearly so that they may present their oil claims. This is a matter which would involve many, many acres of land of considerable moment to everyone, and I question whether it should be considered under unanimous consent.

Mr. COLTON. As a matter of fact, this bill applies only to those claims that were valid, existing claims prior to February 25, 1920, and their exact status has been uncertain. Some legislation is absolutely necessary.

Mr. STAFFORD. And they amount to thousands of claims?

Mr. COLTON. Yes; about 6,400 claims.

Mr. WELSH of Pennsylvania. Mr. Speaker, I demand the regular order.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. EATON of Colorado. Mr. Speaker, I ask unanimous consent that there may be incorporated in the RECORD at this point the letter of the Secretary of the Interior on the bill that has just been passed over without prejudice.

The SPEAKER pro tempore (Mr. MICHENER). The gentleman from Colorado asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

The letter referred to follows:

THE SECRETARY OF THE INTERIOR,
Washington, February 12, 1931.

Hon. DON B. COLTON,
Chairman Committee on the Public Lands,
House of Representatives.

MY DEAR MR. CHAIRMAN: I have your request for my report on H. R. 15002, a bill concerning oil-shale lands.

On November 6 I wrote, calling your committee's attention to the probable necessity for legislation clarifying the uncertainties in the existing law respecting oil-shale lands, arising from the adverse Supreme Court decision of Wilbur *v.* Krushnic (280 U. S. 306). I pointed out that as part of this general problem it should be made clear whether the policy of the mineral leasing act is or is not to require the performance of $100 worth of assessment work each year on oil-shale claims, under penalty of forfeiture to the United States. This question under the mining laws, prior to the mineral leasing act, would necessarily have been answered in the negative. The effect of that act on this point is not clear in view of the Supreme Court decision mentioned above. The department has resolved the ambiguity in favor of the Government, has posted and taken repossession of over 6,400 claims in default, and faces the huge task of adjudicating the status of these claims. The posting of the claims has occupied the time of all mining engineers in the field service with two exceptions, has occasioned great expense, and has required the transfer of a large number of other employees to this work, to the detriment of activities of the field service all through the West.

In my letter I pointed out that there were at least three possible viewpoints: (1) Advocated by oil-shale claimants, that the United States should waive the claim that default in assessment work forfeits a claim to the United States; (2) that Congress should specifically reaffirm the department's policy of forfeiting these claims for failure to do assessment work; (3) that the controversy should be ended by fixing some future date upon which all claims whose assessment work has not been resumed shall be deemed abandoned, and providing that after some later date no further applications for patent will be granted.

I made no recommendation, pointing out that the problem is one of clarification of existing legislation and presents a question of policy for congressional rather than departmental decision.

H. R. 15002 as amended apparently adopts the third of these alternative suggestions. It provides that all claims shall be deemed abandoned on July 1, 1932, except claims then pending in applications for patent and claims upon which assessment work has been performed for the year ending July 1, 1932, and an affidavit thereof filed on or before October 31 of that year. It provides further that assessment work must be done for the year ending July 1, 1933, on penalty of forfeiture. It provides, however, that in lieu of doing assessment work the claimant may pay $100 into the Treasury, which can be credited on the law's requirement of $500 of expenditure as a condition to issuance of patent. This provision is designed to obviate the wide controversy between departmental employees and claimants as to the value of physical labor. Section 37 (a) would protect innocent purchasers for value against charges of dummy locations by their predecessors. Section 37 (b) would fix July 1, 1934, as the date by which all applications for patent must be filed. On that date there would thus be a final conclusion to the claims started under the old mining laws, superseded by the mineral leasing act in 1920; those which had not ripened into an application for patent would be forfeited. Section 37 (c) restricts the act to oil-shale claims.

As pointed out in my letter of November 6, I regard the necessity for clarifying legislation as imperative, but the form which it takes is a matter for congressional rather than departmental determination. The House committee has given careful attention to this subject. The bill which it has reported out presents no administrative difficulties and I have no objection to its enactment. I believe that the whole question deserves consideration by Congress at the very earliest opportunity.

Very truly yours,

RAY LYMAN WILBUR.

TUCSON FIELD, TUCSON, ARIZ.

The Clerk called the next bill on the Consent Calendar, H. R. 15437, to authorize appropriations for construction at Tucson Field, Tucson, Ariz., and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated not to exceed $53,000 for improvements, construction, and installation at Tucson Field, Tucson, Ariz., as follows:

Hangar and appurtenances thereto, $50,000; gas-storage system, $3,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

ATTENDANCE OF MARINE BAND AT SPANISH-AMERICAN WAR VETERANS' CONVENTION, NEW ORLEANS

The Clerk called the next bill, H. R. 14680, to authorize the attendance of the Marine Band at the Spanish-American War veterans' convention at New Orleans.

Mr. UNDERHILL. Mr. Speaker, reserving the right to object, this bill falls within the line which was fairly well discussed earlier in the afternoon, as to the policy of sending a Government-paid band out to compete with the regular organized and private bands of the localities in which these bands appear.

Mr. McCORMACK of Massachusetts. Will the gentleman yield?

Mr. UNDERHILL. Yes.

Mr. McCORMACK of Massachusetts. I notice No. 961 on to-day's Consent Calendar, a bill to authorize the attendance of the Marine Band at the sesquicentennial celebration to be held at Yorktown, was reconsidered and an amendment agreed to and the bill passed.

Mr. UNDERHILL. The circumstances were entirely different. That is a matter which is a governmental function and the Marine Band is in no wise competing with other bands. Now, here is the great city of New Orleans, and in New Orleans and vicinity undoubtedly they can furnish musicians enough for the occasion. The gentleman who advocated this measure a few days ago confessed that the purpose of sending this band to New Orleans is commercial; that it would draw people from outside of the city in no wise interested in the convention of the veterans of the Spanish-American War; and that they were going to have bands enough; but this was simply for the purpose of attracting trade for the merchants of the city of New Orleans.

Mr. MONTET. Will the gentleman yield?

Mr. UNDERHILL. I yield.

Mr. MONTET. Is not the same thing true with reference to the celebration at Yorktown?

Mr. UNDERHILL. There are no merchants in Yorktown. It is a little bit of a place and the Yorktown proposition is a national celebration.

Mr. MONTET. What is this but a national celebration?

Mr. YON. This is the national convention of the United Spanish-American War Veterans.

Mr. MONTET. Does the gentleman mean to say that this is a private affair?

Mr. UNDERHILL. It is an organization affair and it is not paid for out of the Treasury of the United States.

Mr. MONTET. But the gentleman does not submit that this is a private affair?

Mr. JENKINS. Would this fact have any weight with the gentleman? The last time the bill was up it was brought out clearly that every band that was organized in New Orleans would be hired and would be present on this occasion, and would be paid, if that were necessary, and that there could be no objection on the ground that this band would take the place of any other band.

Mr. UNDERHILL. If that is the case, then there will be bands enough.

Mr. PARKS. Regular order, Mr. Speaker.

Mr. UNDERHILL. I object.

The SPEAKER pro tempore. Three objections are required.

There being no further objections, the Clerk read the bill, as follows:

Be it enacted, etc., That the President is authorized to permit the band of the United States Marine Corps to attend and give concerts at the Spanish-American War Veterans' convention to be held at New Orleans, La., on September 6 to 10, inclusive, 1931.

SEC. 2. For the purpose of defraying the expenses of such band in attending and giving concerts at such reunion there is authorized to be appropriated the sum of $8,171.44, or so much thereof as may be necessary, to carry out the provisions of this act: *Provided*, That in addition to transportation and Pullman accommodations the leaders and members of the Marine Band be allowed not to exceed $5 per day each for actual living expenses while on this duty, and that the payment of such expenses shall be in addition to the pay and allowances to which they would be entitled while serving at their permanent station.

With the following committee amendment:

In line 5, on page 1, before the word "Spanish-American," insert the word "United," and after the word "veterans'" insert the word "national."

The amendment was agreed to.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I offer an amendment. On page 1, line 8, after the word "expenses," insert the words "and subsistence," and on page 2, line 1, strike out the colon, insert a period, and strike out the balance of the section.

The Clerk read as follows:

Amendment offered by Mr. SCHAFER of Wisconsin: On page 1, in line 8, after the word "expenses," insert "and subsistence," and on page 2, line 1, after the word "act," strike out the colon, insert a period, and strike out the remainder of the section.

Mr. COLLINS. Mr. Speaker, the gentleman's amendment does something that was not done in the bill that just passed relating to Yorktown?

Mr. SCHAFER of Wisconsin. No; it does the identical thing that was done in that case.

Mr. COLLINS. I was thinking $5 a day was provided in that bill.

Mr. SCHAFER of Wisconsin. No; I offered an amendment to strike out the $5, the same as the $5 provision is stricken out of the bill under the amendment which is pending.

Mr. STAFFORD. Mr. Speaker, I ask recognition in opposition to the amendment. I was about to make the same suggestion when the other amendment of similar purport was under consideration, but the amending stage was passed before I could gain recognition.

I ask the attention of the chairman of the Committee on Military Affairs to this question: As I recall the present law relating to members of the Army, they may be paid while on travel to an amount not exceeding $8 a day on their presenting vouchers showing expenditure, or a per diem pay of $6.

Mr. JAMES of Michigan. Yes; that applies to all except the Air Corps.

Mr. STAFFORD. Now I would like to ask some member of the Naval Affairs Committee if there is a like provision relating to the expenses of members of the Marine Corps as to a per diem allowance?

Mr. HALE. I think there is. I remember of registering my opposition to the amendment of the gentleman from Ohio, because I think the purpose of the provision is misconceived. All that this $5 a day limitation does is to get away from the necessity of herding the men all together and feeding them at the same table and putting them in the same hotel, so that some one can pay the total bill. This allows $5 for subsistence and lets them find their meals wherever they want to. Of course, the amount provided is sufficient to pay their expenses, and the expenses will be paid, but in a different manner from that which they would have been paid had the proviso remained in the bill.

Mr. STAFFORD. Under the Army practice Army officers traveling in connection with their duties are obliged to furnish certificates of expenditure in amounts not to exceed $8 or in lieu thereof they may be allowed $6 per diem. I think the provision in the bill is restrictive so that they can not get the $6 per diem as described under Army rules. So I think the $5 is a cutting down of the allowance and relieves them from the necessity of returning vouchers showing expenses up to $8. I think it is a provision in the interest of economy and the amendment should be defeated. My colleague, I think, is under a misapprehension as to the real purpose of the proviso.

The SPEAKER pro tempore (Mr. MICHENER). The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken; and on a division (demanded by Mr. SCHAFER of Wisconsin) there were 5 ayes and 26 noes.

So the amendment was rejected.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

ESTABLISHING A UNITED STATES PASSPORT BUREAU AT LOS ANGELES, CALIF.

The Clerk read the title of the next resolution on the Consent Calendar, House Joint Resolution 494, authorizing the establishment and maintenance of a United States passport bureau at Los Angeles, Calif.

Mr. LAGUARDIA. I object.

Mr. TEMPLE. Mr. Speaker, in the absence of the Member who reported the resolution, I ask unanimous consent that this resolution be passed over without prejudice.

Mr. LAGUARDIA. I have no objection.

The SPEAKER pro tempore. Without objection, it is so ordered.

YORKTOWN SESQUICENTENNIAL CELEBRATION

The Clerk read the title of the next bill on the Consent Calendar, H. R. 16590, to permit the Army to participate at the Yorktown Sesquicentennial Celebration.

There being no objection, the Clerk read the committee amendment to the bill, which was to strike out all after the enacting clause and insert the following:

That the Army of the United States is hereby authorized to participate in the 4-day celebration at Yorktown, Va., October 16 to 19, 1931, in commemoration of the surrender of the British forces under Lord Cornwallis, ending the Revolutionary War and establishing the independence of the United States; and the expenses, not to exceed $30,000, incident to training, attendance, and participation in the said celebration, including the use of such supplies, materials, and equipment as in the opinion of the Secretary of War may be necessary, may be charged to the appropriations for the support of the Army: *Provided*, That applicable allowances which are or may be fixed by law or regulations for participation in other military activities shall not be exceeded.

The committee amendment was agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

DISPOSITION OF CERTAIN LIGHTHOUSE RESERVATIONS, MICHIGAN

The Clerk called the next bill, H. R. 9413, to authorize the Secretary of Commerce to dispose of certain lighthouse reservations in the State of Michigan.

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I suggest to the author of the bill that inasmuch as the bill provides for certain reversionary provisions the use of the word "permanently" in line 6, on page 1, seems to be rather inconsistent. I suggest that it be stricken out so that it would read:

The same to be held by said State for public park purposes.

Mr. McLAUGHLIN. I have no objection to an amendment of that kind, although the bill was drafted by the Lighthouse Service.

Mr. GREEN. Mr. Speaker, reserving the right to object, as I understand it, this bill permits the Lighthouse Department to deed land for park purposes. I have a similar bill to this which is on the Private Calendar. The only difference is that the land in my bill is deeded to a city, while this is deeded to a State. It seems to me that mine is on all fours with this. I shall ask unanimous consent to put my bill on the Consent Calendar and let it go along with this.

Mr. LAGUARDIA. Is the gentleman sure that his is deeded to a city?

Mr. GREEN. To a city.

Mr. LAGUARDIA. Not to an individual?

Mr. GREEN. No. With that understanding I would not object if mine is put on the Consent Calendar.

Mr. STAFFORD. Oh, if his bill is on the wrong calendar, the gentleman has his remedy under the general rules of the House. This bill is up for consideration on this calendar.

and it is properly on this calendar. I know nothing about the merits of the gentleman's bill. If it is on the wrong calendar, he can correct that situation.

Mr. GREEN. I have a copy of the Senate bill here that I hope to take up.

The SPEAKER pro tempore. The Chair will not recognize the gentleman from Florida to make that request at this time. Is there objection for the consideration of this bill?

Mr. GREEN. I reserve the right to object. I ask unanimous consent that the bill be passed over without prejudice. I do not want to injure the gentleman's bill, but mine is on all fours with it.

Mr. STAFFORD. I suggest the gentleman bring it up and put it in the same situation as this.

Mr. LAGUARDIA. The gentleman is not helping his bill in this way.

Mr. GREEN. All I want to do is to put my bill on the Consent Calendar.

Mr. BANKHEAD. Is the gentleman's bill erroneously on the Private Calendar?

Mr. GREEN. I feel it is.

Mr. BANKHEAD. For what reason?

Mr. GREEN. Because if this is on the wrong calendar, mine is on the right one, and if this bill is on the right calendar, then mine is on the wrong one.

The SPEAKER pro tempore. We are dealing to-day with the Consent Calendar by unanimous consent. Under those conditions the Chair would not be justified in recognizing the gentleman to take up a bill on another calendar.

Mr. GREEN. In order to settle the matter, I make the point of order that this bill is erroneously on the Consent Calendar.

The SPEAKER pro tempore. The Chair overrules the point of order. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Commerce is hereby authorized to dispose of to the State of Michigan the lighthouse reservations at Mission Point and Grand Traverse Point, in the State of Michigan, the same to be held permanently by said State for public-park purposes, on such terms as he may determine and with such reservations and restrictions as may be necessary or proper for the maintenance and operation of lighthouses and Coast Guard station and for construction, maintenance, and use of such building or other property thereon as the needs of navigation may now or hereafter require; reserving also full and permanent right of ingress and egress to and from and travel upon lands which may thus be disposed of, for construction, maintenance, and operations of lighthouses, Coast Guard station, and of buildings and property in connection therewith: *Provided*, That should the State of Michigan fail to keep and hold said land for park purposes title thereto shall revert to and be reinvested in the United States.

Mr. LAGUARDIA. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 1, line 6, strike out the word "permanently."

The amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

FORT ONTARIO MILITARY RESERVATION

The Clerk called the next bill, H. R. 15063, to authorize the Secretary of War to reconvey to the State of New York a portion of the land comprising the Fort Ontario Military Reservation, N. Y.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to reconvey to the State of New York, upon such terms as he may deem advisable, such portion of the land comprising the Fort Ontario Military Reservation as was granted to the United States of America by letters patent from the Governor of the State of New York dated August 15, 1839, as may be deemed by him as no longer required for military purposes.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

ADDITIONAL DISTRICT JUDGES IN NEW YORK STATE

Mr. BOYLAN. Mr. Speaker, I objected to Calendar Nos. 985 and 986, bills to provide additional district judges for the southern and eastern districts of New York. I now withdraw my objection to these bills and ask that we return to them for consideration.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent to return to bills Nos. 985 and 986 on the calendar, H. R. 12059 and H. R. 12032. Is there objection?

Mr. DENISON. Mr. Speaker, I object.

STATE OF ALABAMA

The Clerk called the next bill, S. 5649, for the relief of the State of Alabama.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the committee amendment.

The Clerk read as follows:

Strike out all after the enacting clause and insert:

"That the State of Alabama be, and is hereby, relieved from all responsibility and accountability for certain quartermaster and ordnance property to the approximate value of $1,098.29, the property of the War Department, which was lost, destroyed, or used for flood-relief work incident to the Elba (Ala.) flood of March, 1929, while in the possession of the Alabama National Guard; and the Secretary of War is hereby authorized and directed to terminate all further accountability for said property."

The committee amendment was agreed to and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

UNITED STATES PASSPORT BUREAU, LOS ANGELES, CALIF.

Mr. CRAIL. Mr. Speaker, Calendar No. 994, House Joint Resolution 494, was passed over without objection. I now ask unanimous consent to return to the resolution (H. J. Res. 494) authorizing the establishment and maintenance of a United States passport bureau at Los Angeles, Calif.

The SPEAKER. The gentleman from California asks unanimous consent to return to Calendar No. 994. Is there objection?

Mr. LAGUARDIA. Reserving the right to object, I objected to the consideration of the bill when it was called, whereupon the distinguished gentleman from Pennsylvania, Doctor TEMPLE, asked if I would object to it going over without prejudice. I had no objection to it going over without prejudice; but if it is to be called up for consideration, I shall object, so I do not see that the gentleman from California would be in any better position except that the next time it would require three objections.

Mr. CRAIL. I think it should either be objected to or passed. I believe there is not a port in the United States where there are as many passports originated as at Los Angeles, and I do not think there is any reason why the city of Los Angeles should not have a passport bureau.

Mr. STAFFORD. Will the gentleman yield?

Mr. CRAIL. I yield.

Mr. STAFFORD. I was impressed in reading the report with the number of steamship lines leaving Los Angeles directly for the far eastern ports. I would like to inquire of the gentleman how many steamship lines depart from Los Angeles direct for the Orient?

Mr. CRAIL. I do not think the gentleman from New York should object to this.

Mr. LAGUARDIA. Has the Department of State indorsed this?

Mr. CRAIL. They have made no objection.

Mr. LAGUARDIA. Did they indorse it?

Mr. CRAIL. They gave us a letter, signed by the Secretary himself, stating that the State Department had no objection to it.

Mr. LAGUARDIA. But they did not say they indorsed it, because they told me they did not indorse it. Let us be frank about it. I object for the present, Mr. Speaker.

ORDER OF BUSINESS

The SPEAKER. In so far as suspensions are concerned, the Chair has a tentative program. The Chair will first recognize a motion for consideration of the bill (H. R. 15865) for the retirement of certain employees in Panama.

After that a bill introduced by the gentleman from New York [Mr. SNELL], providing for the reconstruction of Plattsburg Barracks.

After that the Hawley bill (H. R. 16517) relating to convict labor.

After that a bill introduced by the gentleman from Ohio [Mr. SPEAKS] (H. R. 12918) relating to the National Guard.

After that the bill (H. R. 10560) introduced by the gentleman from Georgia [Mr. BRAND] making it a criminal offense to make slanderous statements with regard to the condition of banks.

After that the bill (H. R. 16296) with reference to deportation of communists.

After that the joint resolution (H. J. Res. 467) introduced by the gentleman from New York [Mr. WAINWRIGHT], which relates to a memorial in Washington to the Second Division.

After that a bill from the Post Office Committee relieving postmasters from liability for wrongful acts of their subordinates under certain conditions.

Mr. BANKHEAD. Mr. Speaker, may I ask a question of the Speaker as to just what the Speaker's statement means. Is it the purpose of the Speaker, in the event we do not conclude all of the bills, to follow hereafter the same order that the Speaker has indicated in recognizing Members?

The SPEAKER. That will depend on circumstances. The Chair thinks there might be a chance of finishing these bills this afternoon. The Chair thinks there is only one of them that may possibly encounter any serious objection.

RETIREMENT OF EMPLOYEES OF PANAMA

Mr. DENISON. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 15865) for the retirement of employees of the Panama Canal and the Panama Railroad Co. on the Isthmus of Panama who are citizens of the United States.

The SPEAKER. The gentleman from Illinois [Mr. DENISON] moves to suspend the rules and pass the bill H. R. 15865, which the Clerk will report.

The Clerk read the bill, as follows:

Be it enacted, etc., That all employees of the Panama Canal on the Isthmus of Panama, and all employees of the Panama Railroad Co. on the Isthmus of Panama, who are citizens of the United States and whose tenure of employment is not intermittent nor of uncertain duration, shall come within the provisions of this act.

AUTOMATIC SEPARATION

SEC. 2. All employees to whom this act applies shall, after reaching the age of 62 years and having rendered at least 15 years of service on the Isthmus of Panama, be automatically separated from the service and retired on the annuity provided for herein; and all salary, pay, or compensation shall cease from that date: *Provided*, That if the Governor of the Panama Canal certifies to the Civil Service Commission that by reason of his efficiency and willingness to remain in the service, the continuance of such employee therein would be advantageous to the service, such employee may be retained for a term not exceeding two years, upon the approval and certification by the Civil Service Commission, and, at the end of the 2-year term, by similar approval and certification, be continued for an additional term not exceeding two years: *Provided, however*, That no employee shall be continued in the service beyond the age of retirement for more than four years, except that where the Governor of the Panama Canal certifies, and the Civil Service Commission agrees, that by reason of expert knowledge and special qualifications the continuance of the employee would be advantageous to the service, further extensions of two years may be granted.

All employees to whom this act applies who would be eligible for retirement from the service upon attaining the age of 62 years shall, after attaining the age of 60 years and having rendered at least 30 years' service, computed as provided in section 7 of this act, be eligible for retirement on an annuity as provided in section 6 of this act. Retirement under the provisions of this paragraph shall be at the option of the employee, but if such option is not exercised prior to the date upon which the employee would otherwise be eligible for retirement from the service, the provisions of this act with respect to automatic separation from the service shall apply.

VOLUNTARY RETIREMENT

SEC. 3. (a) Any employee to whom this act applies who shall have attained the age of 55 and rendered at least 25 years of service, of which not less than 15 years shall have been rendered on the Isthmus of Panama, may voluntarily retire on an annuity equivalent in value to the present worth of a deferred annuity beginning at the age at which the employee would otherwise have become eligible for retirement, computed as provided in section 6 of this act, the present worth of said deferred annuity to be determined on the basis of the American Experience Table of Mortality and an interest rate of 4 per cent, compounded annually.

(b) Any employee to whom this act applies may voluntarily retire on an annuity computed as provided in section 6, who shall have attained the age of 55 and rendered at least 30 years of service on the Isthmus of Panama (inclusive of absences while in the service of the United States during the World War), of which not less than three years shall have been in the employment of the Isthmian Canal Commission or the Panama Railroad Co. between May 4, 1904, and April 1, 1914.

DISABILITY RETIREMENT—MEDICAL EXAMINATIONS REQUIRED

SEC. 4. (a) Any employee to whom this act applies who shall have attained the age of 55 years and shall have rendered at least 15 years of service on the Isthmus of Panama, and who shall have become physically or mentally disqualified to perform satisfactorily and efficiently the duties of his position or of any other position of approximately equal compensation to which he might be assigned, because of the strenuous or hazardous nature of such position, shall, upon the request or order of the Governor of the Panama Canal, be retired on an annuity computed in accordance with the provisions of section 6 hereof: *Provided*, That no such employees shall be so retired except after an examination and finding as to his mental or physical disqualifications as hereinafter provided.

(b) Any employee to whom this act applies who shall have served for a total period of not less than five years, and who, before becoming eligible for retirement under the conditions defined in section 2 hereof, shall have become totally disabled for useful and efficient service in the grade or class of position occupied by the employee, by reason of disease or injury not due to vicious habits, intemperance, or willful misconduct on the part of the employee, shall upon his own application or upon request or order of the Governor of the Panama Canal, be retired on an annuity computed in accordance with the provisions of section 6 hereof.

No claim shall be allowed under the provisions of this section unless the application for retirement shall have been executed prior to the applicant's separation from the service or within six months thereafter. No employee shall be retired under the provisions of this section unless he or she shall have been examined by a medical officer of the United States, or a duly qualified physician or surgeon or board of physicians or surgeons, designated by the Commissioner of Pensions for that purpose, and found to be disabled in the degree and in the manner specified herein.

Every annuitant retired under the provisions of this section, unless the disability for which he was retired be permanent in character, shall at the expiration of one year from the date of such retirement and annually thereafter, until reaching retirement age as defined in section 2 hereof, be examined under the direction of the Commissioner of Pensions by a medical officer of the United States, or a duly qualified physician or surgeon, or board of physicians or surgeons designated by the Commissioner of Pensions for that purpose, in order to determine the nature and degree of the annuitant's disability, if any. If an annuitant shall recover before reaching the age at which he would otherwise have become eligible for retirement and be restored to an earning capacity which would permit him to be appointed to some appropriate position fairly comparable in compensation to the position occupied at the time of retirement, payment of the annuity shall be continued temporarily to afford the annuitant opportunity to seek such available position, but not in any case exceeding 90 days from the date of the medical examination showing such recovery.

If the annuitant shall fail to obtain reemployment through no fault of his own within the 90-day period in any position included in the provisions of this act, he shall be considered as involuntarily separated from the service as of the date he shall have been retired for disability, and if otherwise eligible, entitled to an annuity under section 5 of this act to begin at the close of said 90-day period based on the service rendered prior to his retirement for disability.

The Commissioner of Pensions may order or direct at any time such medical or other examination as he shall deem necessary to determine the facts relative to the nature and degree of disability of any employee retired on an annuity under this section. Should an annuitant fail to appear for any examination required under this section, payment of the annuity shall be suspended until the requirement shall have been met.

In all cases where the annuity is discontinued under the provisions of this section before the annuitant has received a sum equal to the amount credited to his individual account as provided in section 11 (a) hereof, together with interest at 4 per cent per annum compounded on June 30 of each year, the difference, unless he shall become reemployed in a position within the purview of this act, shall be paid to the retired employee, as provided in section 11 (b) hereof, upon application therefor in such form and manner as the Commissioner of Pensions may direct. In case of reemployment in a position within the purview of this act the amount so refunded shall be redeposited as provided in section 11 (b) hereof.

No person shall be entitled to receive an annuity under the provisions of this act, and compensation under the provisions of the act of September 7, 1916, entitled "An act to provide compensation for employees of the United States suffering injuries

while in the performance of their duties, and for other purposes," or such act as amended, covering the same period of time; but this provision shall not be so construed as to bar the right of any claimant to the greater benefit conferred by either act for any part of the same period of time.

Fees for examinations made under the provisions of this section, by physicians or surgeons who are not medical officers of the United States, shall be fixed by the Commissioner of Pensions, and such fees, together with the employee's reasonable traveling and other expenses incurred in order to submit to such examinations, shall be paid out of the appropriations for the cost of administering this act.

INVOLUNTARY SEPARATION FROM THE SERVICE

SEC. 5. Should any employee 55 years of age or over to whom this act applies, after having served for a total period of not less than 15 years and before becoming eligible for retirement under the conditions defined in section 2 hereof, become involuntarily separated from the service, not by removal for cause on charges of misconduct or delinquency, such employee shall be paid as he may elect, either—

(a) The amount of the deductions from his basic salary, pay, or compensation, including accrued interest thereon computed as prescribed in section 11 (b) hereof;

(b) An immediate life annuity beginning at the date of separation from the service, having a value equal to the present worth of a deferred annuity beginning at the age at which the employee would otherwise have become eligible for retirement, computed as provided in section 6 of this act, the present worth of said deferred annuity to be determined on the basis of the American Experience Table of Mortality and an interest rate of 4 per cent, compounded annually; or

(c) A deferred annuity beginning at the age at which the employee would otherwise become eligible for retirement computed as provided in section 6 of this act.

Any employee who has served for a period of not less than 15 years, and who is 45 years of age, or over, and less than 55 years, and who becomes separated from the service under the conditions set forth in this section shall be entitled to a deferred annuity, but such employee may, upon reaching the age of 55 years, elect to receive an immediate annuity as provided in paragraph (b) of this section.

Should an annuitant under the provisions of this section be reemployed in any position included in the provisions of this act, payment of annuity shall not be allowed covering the period of such reemployment, and an annuity based upon involuntary separation shall not be allowed upon subsequent separation from the service unless such subsequent separation shall be involuntary.

METHOD OF COMPUTING ANNUITIES

SEC. 6. The annuity of an employee retired under the provisions of this act shall be composed of—

(1) A sum equal to $37.50 multiplied by the number of years of service, not to exceed 30 years, rendered (a) on the Isthmus of Panama, or (b) in the military or naval service of the United States in the Tropics; and

(2) The annuity purchasable with the sum to the credit of the employee's individual account, including accrued interest thereon computed as prescribed in section 11 (a) hereof, according to the experience of the Canal Zone retirement and disability fund as may from time to time be set forth in tables of annuity values by the board of actuaries; and

(3) Thirty dollars multiplied by the number of years of service rendered and not allowable under paragraph (1) hereof: *Provided*, That the number of years of service to be used in computing the allowance under paragraph (3) shall not exceed the difference between 30 and the number of allowable years of service under paragraph (1); and

(4) Thirty-six dollars multiplied by the number of years of service rendered on the Isthmus of Panama, either in the employ of the Isthmian Canal Commission or the Panama Railroad Co., between May 4, 1904, and April 1, 1914.

In no case, however, shall the total annuity paid, exclusive of that provided in paragraph (4) hereof, be less than an amount equal to the sum of—

The average annual basic salary, pay, or compensation, not to exceed $2,000 per annum, received by the employee during any five consecutive years of allowable service at the option of the employee, multiplied by the number of years of service used in computing the annuity under paragraph (1) hereof, and divided by 40; and the average annual basic salary, pay, or compensation, not to exceed $1,600 per annum, received by the employee during any five consecutive years of allowable service at the option of the employee, multiplied by the number of years of service used in computing the annuity under paragraph (3) hereof, and divided by 40: *Provided*, That the annuity paid a retiring employee of the Panama Railroad Co. in such service on June 30, 1931, shall be an amount equal to 2 per cent of the average annual basic salary, pay, or compensation, not to exceed $5,000 per annum, received by the employee during any five consecutive years of allowable service at the option of the employee, multiplied by the number of years of allowable service rendered prior to July 1, 1931; plus the amount to which the employee is entitled under the provisions of this section, exclusive of paragraph (4), for service rendered subsequent to June 30, 1931: *Provided, however*, That the sum to be used in computing the annuity purchasable under paragraph (2) of this section shall include only contributions made subsequent to June 30, 1931: *And provided further*, That the number of years of service to be used in computing the annuity under paragraphs (1) and (3) of this section shall not exceed the difference between 30 and the number of years of allowable service rendered prior to July 1, 1931.

The annuity granted under paragraphs (1), (3), and (4) of this section shall not exceed three-fourths of the average annual basic salary, pay, or compensation received by the employee during any five consecutive years of allowable service at the option of the employee.

Any employee at the time of his retirement may elect to receive, in lieu of the life annuity herein described, an increased annuity of equivalent value which shall carry with it a proviso that no unexpended part of the principal upon the annuitant's death shall be returned. For the purposes of this act all periods of service shall be computed in accordance with section 7 hereof, and the annuity shall be fixed at the nearest multiple of 12.

The term "basic salary, pay, or compensation," wherever used in this act, shall be so construed as to exclude from the operation of the act all bonuses, allowances, overtime pay, or salary, pay, or compensation given in addition to the base pay of the position as fixed by law or regulation.

COMPUTATION OF ACCREDITED SERVICE

SEC. 7. Subject to the provisions of section 8 hereof, the service which shall form the basis for calculating the amount of any benefit provided in this act shall be computed from the date of original employment, whether as a classified or an unclassified employee, in the civil service of the United States or under the municipal government of the District of Columbia, including periods of service at different times and in one or more departments, branches, or independent offices of the Government, and service on the Isthmus of Panama with the Isthmian Canal Commission, the Panama Canal, or the Panama Railroad Co.; also periods of service performed overseas under authority of the United States and periods of honorable service in the Army, Navy, Marine Corps, or Coast Guard of the United States. In the case of an employee, however, who is eligible for and elects to receive a pension under any law, or retired pay on account of military or naval service, or compensation under the war risk insurance act, the period of his military or naval service upon which such pension, retired pay, or compensation is based shall not be included, but nothing in this act shall be so construed as to affect in any manner his right to a pension, or to retired pay, or to compensation under the war risk insurance act in addition to the annuity herein provided.

In computing length of service for the purposes of this act all periods of separation from the service, and so much of any leaves of absence without pay as may exceed six months in the aggregate in any calendar year, shall be excluded.

In determining the total periods of service upon which the allowances are to be computed under section 6 hereof, the fractional part of a month, if any, shall be eliminated from each respective total period.

CREDIT FOR PAST SERVICE

SEC. 8. All employees coming within the provisions of this act after the effective date thereof shall be required to deposit with the Treasurer of the United States to the credit of the Canal Zone retirement and disability fund referred to in section 9 hereof, under rules to be prescribed by the Commissioner of Pensions, a sum equal to 2½ per cent of the employee's basic salary, pay, or compensation received for services rendered after July 31, 1920, and prior to July 1, 1926, and also 3½ per cent of the basic salary, pay, or compensation for services rendered subsequent to June 30, 1926, together with interest computed at the rate of 4 per cent per annum compounded on the last day of each fiscal year, but such interest shall not be included for any period during which the employee was separated from the service. Upon making such deposit the employee shall be entitled to credit for the period or periods of service involved: *Provided*, That no such deposit shall be required on account of services rendered for the Panama Railroad Co. prior to January 1, 1924: *Provided further*, That failure to make such deposit shall not deprive the employee of credit for any past service for which no deposit is required under the provisions of this section.

DEDUCTIONS

SEC. 9. Beginning July 1, 1931, there shall be deducted and withheld from the basic salary, pay, or compensation of each employee to whom this act applies a sum equal to 5 per cent of such employee's basic salary, pay, or compensation. The amounts so deducted and withheld from the basic salary, pay, or compensation of each employee shall be deposited with the Treasurer of the United States to the credit of a special fund to be known as the Canal Zone retirement and disability fund, in accordance with the procedure now or hereafter prescribed for covering into the United States Treasury the deductions from salaries under the civil service retirement act of May 22, 1920, as amended, and said fund is hereby appropriated for the payment of the annuities, refunds, and allowances as provided in this act.

The Commissioner of Pensions is hereby authorized and directed to ascertain the amount, including accrued interest, due employees of the Panama Canal coming within the purview of this act from the civil service retirement and disability fund created by the act of May 22, 1920, and to certify same to the Secretary of the Treasury, who is hereby authorized and directed to transfer such amount on the books of the Treasury Department to the Canal Zone retirement and disability fund.

The board of directors of the Panama Railroad Co. shall cause to be transferred to the Secretary of the Treasury, for credit to

the Canal Zone retirement and disability fund, the gross assets in the Panama Railroad pension fund at the close of business on June 30, 1931, applying to employees included within the provisions of this act, subject to the assumption of the liabilities of that fund as of the close of business on June 30, 1931, by the Canal Zone retirement and disability fund.

Every employee coming within the provisions of this act shall be deemed to consent and agree to the deductions from salary, pay, or compensation as provided herein, and payment less such deductions shall be a full and complete discharge and acquittance of all claims and demands whatsoever for all regular services rendered by such employee during the period covered by such payment, except the right to the benefits to which he shall be entitled under the provisions of this act, notwithstanding the provisions of any other law, rule, or regulation affecting the salary, pay, or compensation of any person or persons to whom this act applies.

INVESTMENTS AND ACCOUNTS

SEC. 10. The Secretary of the Treasury shall invest from time to time in interest-bearing securities of the United States or in Federal farm-loan bonds such portions of the Canal Zone retirement and disability fund as in his judgment may not be immediately required for the payment of the annuities, refunds, and allowances herein authorized, and the incomes derived from such investments shall constitute a part of such fund.

RETURN OF AMOUNTS DEDUCTED FROM SALARIES

SEC. 11. (a) Under such regulations as may be prescribed by the Civil Service Commission the amounts deducted and withheld from the basic salary, pay, or compensation of each employee for credit to the civil service retirement and disability fund or the Panama Railroad pension fund, covering service rendered prior to the effective date of this act, shall be credited to an individual account of such employee to be maintained by the Panama Canal, and the amounts deducted and withheld from the basic salary, pay, or compensation of each employee for credit to the Canal Zone retirement and disability fund, covering service from and after the effective date of this act, less the sum of $1 per month or major fraction thereof, shall similarly be credited to such individual account.

(b) In the case of any employee to whom this act applies who shall be transferred to a position not within the purview of the act, or who shall become absolutely separated from the service before becoming eligible for retirement on annuity, the amount credited to his individual account shall be returned to such employee together with interest at 4 per cent per annum compounded on June 30 of each year: *Provided*, That when any employee becomes involuntarily separated from the service, not by removal for cause on charges of misconduct or delinquency, the total amount of his deductions with interest thereon shall be paid to such employee: *And provided further*, That all moneys so returned to an employee must, upon reinstatement, retransfer, or reappointment to a position coming within the purview of this act, be redeposited with interest before such employee may derive any benefits under this act, except as provided in this section, but interest shall not be required covering any period of separation from the service.

(c) In case an annuitant shall die without having received in annuities purchased by the employee's contributions as provided in (2) of section 6 hereof an amount equal to the total amount to his credit at time of retirement, the amount remaining to his credit shall be paid in one sum to his legal representatives upon the establishment of a valid claim therefor, unless the annuitant shall have elected to receive an increased annuity as provided in section 6 hereof.

(d) In case an employee shall die without having attained eligibility for retirement or without having established a valid claim for annuity, the total amount of his deductions, with interest thereon, shall be paid to the legal representatives of such employee.

(e) In case a former employee entitled to the return of the amount credited to his individual account shall become legally incompetent, the total amount due may be paid to a duly appointed guardian or committee of such employee.

(f) If the amount of accrued annuity or of refund due a former employee who is legally incompetent does not exceed $1,000, and if there has been no demand upon the Commissioner of Pensions by a duly appointed executor, administrator, guardian, or committee, payment may be made, after the expiration of 30 days from date of death or of separation from the service, as the case may be, to such person or persons as may appear in the judgment of the Commissioner of Pensions to be legally entitled thereto, and such payment shall be a bar to recovery by any other person.

PAYMENT OF ANNUITIES

SEC. 12. Annuities granted under the terms of this act shall be due and payable in monthly installments on the first business day of the month following the month or other period for which the annuity shall have accrued; and payment of all annuities, refunds, and allowances granted hereunder shall be made by checks drawn and issued by the disbursing clerk for the payment of pensions in such form and manner and with such safeguards as shall be prescribed by the Administrator of Veterans' Affairs in accordance with the laws, rules, and regulations governing accounting that may be found applicable to such payments.

Applications for annuity shall be in such form as the Commissioner of Pensions may prescribe, and shall be supported by such certificates from the heads of departments, branches, or independent offices of the Government or the Panama Railroad Co. in which the applicant has been employed as may be necessary to the determination of the rights of the applicant. Upon receipt of satisfactory evidence the Commissioner of Pensions shall forthwith adjudicate the claim of the applicant, and if title to annuity be established, a proper certificate shall be issued to the annuitant under the seal of the Veterans' Administration.

Annuities granted under the provisions of sections 2 and 3 of this act shall commence from the date of separation from the service and shall continue during the life of the annuitant. Annuities granted under the provisions of sections 4 and 5 hereof shall be subject to the limitations specified in said sections.

BENEFITS EXTENDED TO THOSE ALREADY RETIRED

SEC. 13. In the case of those employees of the Panama Canal or the Panama Railroad Co. who before the effective date of this act shall have been retired on annuity under the provisions of the act of May 22, 1920, or said act as amended, or as extended by Executive orders, or under the provisions of the Panama Railroad pension plan, the annuity shall be computed, adjusted, and paid under the provisions of this act, but this act shall not be so construed as to reduce the annuity of any person retired before its effective date, nor shall any increase in annuity commence before such effective date.

All those who were separated from the service of either the Panama Canal or the Panama Railroad Co. on the Isthmus of Panama subsequent to August 1, 1920, and before the effective date of this act, not by removal for cause on charges of misconduct or delinquency, without having been granted retirement annuities due to the fact that all of their service which would be allowable under the provisions of this act was not counted in arriving at their total service, and who are otherwise eligible by having made the necessary contributions to the retirement and disability funds as herein provided, shall, from the effective date of this act, be paid annuities in accordance with the provisions of this act.

BOARD OF ACTUARIES

SEC. 14. The board of actuaries selected by the Commissioner of Pensions under the provisions of section 16 of the act of July 3, 1926, shall make a valuation of the Canal Zone retirement and disability fund at intervals of five years, or oftener if deemed necessary by the Commissioner of Pensions.

ADMINISTRATION

SEC. 15. For the purpose of administration, except as otherwise provided herein, the Commissioner of Pensions, under the direction of the Administrator of Veterans' Affairs, is hereby authorized and directed to perform, or cause to be performed, any and all acts and to make such rules and regulations as may be necessary and proper for the purpose of carrying the provisions of this act into full force and effect. An appeal to the Administrator of Veterans' Affairs shall lie from the final action or order of the Commissioner of Pensions affecting the rights or interests of any person or of the United States under this act, the procedure on appeal to be as prescribed by the Commissioner of Pensions, with the approval of the Administrator of Veterans' Affairs.

The Commissioner of Pensions shall make a detailed comparative report annually, showing all receipts and disbursements on account of annuities, refunds, and allowances under this act, together with the total number of persons receiving annuities and the total amounts paid them; and he shall transmit to Congress, through the Administrator of Veterans' Affairs, the reports and recommendations of the board of actuaries.

The Administrator of Veterans' Affairs shall submit annually to the Bureau of the Budget estimates of the appropriations necessary to finance the Canal Zone retirement and disability fund, and to continue this act in full force and effect.

EXEMPTION FROM EXECUTION, ETC.

SEC. 16. None of the moneys mentioned in this act shall be assignable, either in law or equity, or be subject to execution, levy, or attachment, garnishment, or other legal process.

EFFECTIVE DATE

SEC. 17. This act shall take effect July 1, 1931, and from and after that rate the provisions of the civil service retirement act of May 22, 1920, as amended, shall not apply to employees of the Panama Canal on the Isthmus of Panama or to any other employees coming within the provisions of this act: *Provided, however*, That any employee of the Panama Canal who shall attain the age of eligibility for retirement without having rendered sufficient service on the Isthmus of Panama to entitle him to be retired on an annuity as provided by section 2 hereof, but whose aggregate employment under the United States would be sufficient in character and duration to entitle him to receive an annuity under the provisions of the Civil Service Retirement Act of May 22, 1920, as amended, will be eligible to retire and receive an annuity under the provisions of that act and payable from the civil service retirement and disability fund; and in such event the employee shall be entitled, upon separation from the service, to the refund, under such regulations as the Commissioner of Pensions may prescribe, of any excess in the deductions made from his salary, pay, or compensation under the provisions of this act, with interest, over those which would have been made at the rate fixed by the Civil Service Retirement Act as amended; and the Commissioner of Pensions shall certify to the Secretary of the Treasury the amount remain-

ing to the credit of such employee in the Canal Zone retirement and disability fund, and said amount shall be transferred on the books of the Treasury Department to the civil service retirement and disability fund.

The SPEAKER. Is a second demanded?

Mr. LAGUARDIA. Mr. Speaker, I demand a second.

Mr. DENISON. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

The SPEAKER. Without objection it is so ordered.

There was no objection.

The SPEAKER. The gentleman from Illinois [Mr. DENISON] is recognized for 20 minutes and the gentleman from New York [Mr. LAGUARDIA] is recognized for 20 minutes.

Mr. DENISON. Mr. Speaker, I think I can explain this bill in less than 20 minutes.

In the Panama Canal Zone there are two classes of American employees, those working for the Panama Canal and those working for the Panama Railroad Co., which is a New York corporation, all of the stock of which is owned by the Government. So that while the employees of the railroad company are not technically working for the Government, they are really Government employees.

The employees of the Panama Canal were placed under the general retirement law applicable to all employees of the Government in the States, and the employees of the Panama Railroad Co. have a retirement plan of their own, put into effect some years ago by the trustees of the Panama Railroad Co. It is purely a voluntary plan and may be abolished or changed at any time by the trustees of the railroad company.

The provisions of the two retirement plans are different; the annuities are quite different; and, under existing law, the employees of the Panama Canal who worked for the railroad company during construction days are not allowed credit for any time they worked for the railroad company. During the 10 years of construction, employees of one organization were shifted to the other upon orders from superior officers, so that many of the employees of the Panama Canal can not now receive credit for the years they worked for the Panama Railroad during the construction of the canal.

The purpose of this bill is, briefly, to take all of the American employees in the Canal Zone, those working for the Panama Canal and those working for the Panama Railroad Co., and place them both under the same retirement system so that they may all be treated exactly alike, as they should be, because they are all working under identical conditions.

The differences between the provisions of this bill and existing law are briefly these: This bill was drafted along the lines of the Lehlbach bill. In other words, we used exactly the phraseology that is used in the Lehlbach bill. The same principles are applied. But this bill allows employees of the Panama Canal and the Panama Railroad Co. slightly larger annuities than are allowed to employees of the Government in the United States, because of the tropical conditions where they have to live and work and spend their lives.

Mr. EATON of Colorado. Will the gentleman yield?

Mr. DENISON. Yes.

Mr. EATON of Colorado. But the employees pay more for that annuity under this bill than they pay under the Lehlbach system?

Mr. DENISON. Yes. The employees down there felt that they would rather contribute more to the retirement fund and receive a somewhat increased annuity. So this bill provides that they must contribute 5 per cent of their salaries or wages to the retirement fund instead of 3½ per cent, as is required under the law applicable to the United States. The Panama Canal act provides that all employees who work in the Tropics on the Panama Canal shall receive 25 per cent higher wages than is received for similar work in this country. This bill follows that principle and applies the same principle to the retirement annuities as is applied to the wages paid down there.

Mr. THATCHER. Will the gentleman yield?

Mr. DENISON. Yes.

Mr. THATCHER. The provisions of the bill are only applicable to those employed on the Isthmus.

Mr. DENISON. The provisions of the bill apply only to those employees on the Isthmus of Panama.

Mr. HUDSON. Does the gentleman mean the employees on the Isthmus who are employed by the Panama Canal Zone government and also by the Panama Railroad?

Mr. DENISON. Yes.

Mr. HUDSON. The Panama Railroad does have some employees who are in the States?

Mr. DENISON. Yes; and the provisions of this bill do not apply to them, nor do the provisions of the bill apply to the employees of the Panama Canal working here in Washington.

Mr. HUDSON. There is no question about that.

Mr. DENISON. No; none at all.

Mr. EATON of Colorado. It applies to American citizens who are employees of the Panama Canal Zone or the Panama Railroad Co. on the Isthmus of Panama.

Mr. DENISON. It only applies to American citizens. We have a great number of employees who are West Indians, but they are not covered by the provisions of this bill and never have been under any retirement law.

This bill allows retirement at 62 years of age, just as is the case under the Lehlbach bill. It allows retirement in some cases at 60 where the employee has worked 30 years for the Government.

No one can take advantage of the provisions of this act unless they have worked 15 years in the Tropics on the Canal Zone. This bill also contains a provision allowing voluntary retirement at the age of 55 under certain conditions which are definitely set out in the bill, where, for instance, an employee finds that his health is broken and that he ought to change climate, or where he finds that the health of his family has broken, as is very often the case down there, and he has to move back to the States. It allows voluntary retirement in such cases at the age of 55, but the person who retires, retires at a reduced annuity, so that that provision does not cost the Government any more in such cases of retirement than it would if an employee should continue in the service until he reaches 60 or 62 years of age.

Mr. DOWELL. Will the gentleman yield?

Mr. DENISON. Yes.

Mr. DOWELL. Is retirement compulsory at any age?

Mr. DENISON. The age of retirement is fixed at 62, but under certain conditions described in the bill, they can be continued for two periods of two years each, after which they have to be retired.

Mr. EATON of Colorado. But that is at the option of the Panama Canal government and not at the option of the employee?

Mr. DENISON. Yes; that is correct.

Mr. DOWELL. That is, certain officers there have authority to continue them in the service if they so desire?

Mr. DENISON. Yes. In other words, the age of retirement is 60 or 62, but an employee may apply to be continued in the service for two periods of two years each, which can be granted under the terms of the bill by the governor.

Mr. DOWELL. That is the same provision, as I understand it, as is found in the Lehlbach bill?

Mr. DENISON. Exactly. There is also a provision in the bill which allows compulsory retirement at the age of 55 in certain cases of employment where, for instance, the work in which the employee is engaged is of such a character as to require peculiar alertness of mind. If the governor finds that the health or efficiency of such an employee has failed to such an extent as to make it no longer desirable for him to remain in that class of employment, the governor is given the right, after certain physical examinations provided in the bill, to retire such an employee at the age of 55 years. That provision has been put in the bill at the request of the administrative authorities, and it will be in the interest of preserving a higher efficiency among the canal employees who are employed in work of a particularly hazardous or responsible character.

Mr. EATON of Colorado. As soon as the Lehlbach retirement bill for civil-service employees was passed the last session it was immediately in order to apply similar retirement provisions to the Canal Zone employees. No one here to-day is any better posted concerning the compensation of employees and conditions under which they work in the Canal Zone than the gentleman from Illinois [Mr. DENISON], whose bill, now under discussion, has been finally drafted to meet practically every objection heretofore made and in a manner that has produced a proper plan for retirement pay for Canal Zone employees.

There is one element which enters into the consideration of this bill which I have not heard mentioned, and that is that the employee who serves out his whole time to the date of retirement is not permitted to have a home on the Canal Zone or remain where his friends of the past 20 to 30 years may be seen from time to time.

Many of us, possibly, do not recognize that the government of the Canal Zone is a military government. A civil government, as such, is existent in name only. There is a major general in command of the Army forces. You will find there an admiral in command of the naval forces. There is an official with the title of Governor of the Canal Zone, but he is a colonel of the Army. His immediate subordinate, with the title of deputy governor, is also an Army officer with the grade of lieutenant governor. Under the present system when the governor is changed he is replaced by the deputy. No civilian has held the office of governor since before the World War.

One of the rules of the Canal Zone is that no one may remain in the zone who is not in the employ of the United States or in some one of its activities, whether they are military or compare in some way with activities of civil life.

My understanding is that quarters are furnished for all white persons living within the zone and that no employee is compelled or permitted to live outside the zone.

When a man's work in the zone is done, neither he nor his family may stay there any longer. His quarters must be vacated, some one else moves in, and the man who moved out, with his family, comes on back to the United States. I do not mean to say that he must come back to his own country. But even with those who take a little visit to other countries for a while it is not long until they are back home. And, of course, those who have spent 20 to 30 years in the Canal Zone come back to what proves to be, practically, a strange land.

I am not entirely clear what is to be done with the amounts put into the retirement fund by those who will only stay in the Tropics a few years. How do they get out their deposit? Does any part of the Government's contribution become payable back to him; and if so, how much? What part, if any, of the earnings of the employees and Government's money is forfeited, if the employee does not stay until the day he may be lawfully retired?

When I have been in the Canal Zone, I have listened with a great deal of interest to the representatives of the employees and the administrative heads. There seems to be a unanimity of opinion on this subject of retirement which may be somewhat unusual; on this subject there seems to be no dispute. Even those who spoke for the employees of the railroad could agree that if their retirement plan which had been in effect since 1924 were protected in legislation for the balance of the employees, they had no objection. I know of none now put forth, as it is understood that adjustment will be made as to all payments heretofore paid in by the railroad employees in the zone, and upon July 1, 1931, they will be placed on the same future basis as the employees of the canal. As a matter of administration, there seems to be a good excuse for dividing the employees into canal and railroad employees; but with respect to retirement cost as well as reward, there certainly is no reason why there should not be a permanent uniform retirement plan for all, instead of the special plan for railroad employees now in effect.

It must be remembered that all work in the Canal Zone is the subject of special consideration and award. The scale of wages is 25 per cent greater than in the United States. The vacation privileges are greater. And in this plan proposed for the employees it meets their desire to pay not merely 25 per cent more than is required for the retirement funds of civil-service employees in the United States but almost 43 per cent. Under the Lehlbach retirement bill civil-service employees pay 3½ per cent of their wages into the retirement fund. Under the bill before us the Panama Canal Zone employees will pay 5 per cent into the retirement fund. Of course, this will provide a higher retirement pay, but that is entirely consistent with the representations made by the Government pay for work in the Canal Zone, which have resulted in the 25 per cent increase in the civil-service wage scale and other privileges incident to their work.

Will the gentleman from Illinois now answer this question?

When an employee is retired at 55 does he get less retirement benefits than if carried through to 62 years of age?

Mr. DENISON. Not if his retirement is compulsory; but if he retires at 55 years of age upon his own application, he does so at a reduced annuity; if he retires at 55 years of age upon the orders of the administrative authorities of the zone, he is retired upon the regular annuity.

Mr. STAFFORD. Will the gentleman yield?

Mr. DENISON. Yes.

Mr. STAFFORD. In following the gentleman's explanation of this bill, I do not believe I heard him make any reference as to whether any additional charge will be imposed on the Treasury.

Mr. DENISON. The additional cost will be about this: If you take the cost to the Government under the present general retirement law, and add to that the cost of the Panama Railroad retirement plan, and then take the cost that will accrue under this bill, there is only a difference of about $30,000, which will amount to about $10 per man on the zone. So it will be practically nothing.

Mr. GIBSON. Will the gentleman yield?

Mr. DENISON. I yield to the gentleman from Vermont.

Mr. GIBSON. As I understand it, we have now in operation two plans of retirement, one for the employees of the Panama Railroad and one for the employees of the Panama Canal.

Mr. DENISON. Yes.

Mr. GIBSON. And this bill puts them all under one plan.

Mr. DENISON. Yes.

Mr. GIBSON. And it has the approval of the employees of the railroad as well as the approval of the employees of the Canal Zone?

Mr. DENISON. The gentleman is correct.

Mr. GIBSON. And also the approval of the Governor of the Canal Zone and of the officials of the United States Government?

Mr. DENISON. The gentleman is correct.

This bill has been in course of preparation for several years. The governor has urged it very forcefully for several years. Various bills have been prepared, but the cost ran too high; and finally, in cooperation with the Bureau of Efficiency and committees of the employees and the Pension Bureau also, this bill has been very carefully worked out and prepared, and follows the general provisions of the Lehlbach bill. It is now satisfactory to both classes of employees on the zone and is satisfactory to all the administrative officers on the Canal Zone.

Mr. STAFFORD. Will the gentleman yield?

Mr. DENISON. Yes.

Mr. STAFFORD. From the gentleman's study of the general retirement law, can he state whether the existing law, the so-called Lehlbach bill, applies only to citizens of the United States?

Mr. DENISON. Yes.

Mr. STAFFORD. It does not apply to any aliens who have been living in the country and who are declarants for citizenship, or the like?

Mr. DENISON. No; it only applies to American citizens.

I do not think any legislation can be prepared more carefully than has this bill. Numerous hearings have been held by the Committee on Interstate and Foreign Commerce. It is, of course, not important to the rest of the country, but it is of very great importance not only to all the Government employees in the Canal Zone but also to the administrative officials who are in charge of the canal and the Canal Zone.

We have a splendid organization of American employees living and working in the Canal Zone. There are about 2,600 or 2,700 American citizens employed on the canal and about 500 employed by the Panama Railroad Co. They have left their homes in the States and are working for the Government down near the Equator, where the Government is operating this great project, and where living conditions are not what they are in the United States. Those who have to work in the Tropics are subjected to all the dangers and the adverse conditions that are peculiar to tropical climate.

The death rate there is higher than in the United States, and the influence of the climate is such that it is necessary for our white employees who go down there with their families to return to the States periodically for rest and a change of climate. Our employees down there have to sever their business and other connections in the States and live under conditions which are not as favorable as they are in the States. The committee believes that our employees working in the Canal Zone ought to receive somewhat larger annuities upon retirement than do the Government employees who can live in their own homes in the United States.

But there is a very important question of policy involved in this legislation which makes it very important to the Government that the bill be passed as soon as possible. One serious question that is confronting the administration officials of the Canal Zone is what to do with the retired employees. We are now reaching the time when some of our employees there will be retired. What are we going to do with them? Most of them have been living in the Canal Zone for from 15 to 25 years. They have become more or less acclimated. They have their families there and their children may be working for the Government there. We do not have sufficient housing to take care of the necessary employees of the Government.

There are two courses that are open for the Government to follow. One is to ask Congress for increased appropriations and enter upon a building program to provide houses for employees who have retired from actual service. This will involve large expenditures from the Treasury. The other course is to compel all employees upon retirement to return with their families to the United States.

Obviously it will be a hardship upon old men and women who have worked long years in the warm climate of the Canal Zone to leave and return to the United States. After having been gone from the States for from 15 to 25 years, they have no home connections or business connections in the States. They have to go back and make new homes among strangers. It seemed to the committee obvious that if the Government adopts the policy of requiring retired employees to move back to the States, they should be allowed somewhat larger annuities than are allowed to Government employees who have the opportunity of living in their own homes and under more favorable conditions in the States after their retirement. After very careful consideration the Government officials on the zone have decided to follow the policy of requiring these retired employees to move back to the States immediately after they retire, and they have urged Congress to provide a retirement system for our employees on the zone that would allow annuities sufficient to enable the employees to return to the States and reestablish their homes here. Since the employees are willing to themselves contribute 5 per cent of their wages or salaries to the retirement fund, the committee believed that this legislation would not only be better and more just to the employees themselves but equally better and more advantageous to the Government.

The last three Governors of the Canal Zone have urged the enactment of this legislation. The employees who live down there have been looking forward to it for years. They have no votes and they have no representative in Congress. They must depend upon the committees of the House and Senate to study their conditions and provide the legislation that they need. The Committee on Interstate and Foreign Commerce has given long and careful study to this subject and has unanimously reported this bill, and believes that its enactment will contribute materially to the welfare, the contentment, and the efficiency of our employees in the Canal Zone, as well as to greater economy and efficiency of the government of the Canal Zone.

Mr. Speaker, I reserve the balance of my time.

Mr. LAGUARDIA. Mr. Speaker, this bill provides for retirement of employees of the Panama Canal and the Panama Railroad, and it is very interesting that it should come up to-day, right after the discussion we had yesterday. My memory is still fresh on the many allusions which were made, always evoking applause, to the inefficiency and the wastefulness of Government operations.

Here you have a typical Government-operated business, the Panama Railroad steamships running in competition with private steamship companies, and you have also the Panama Railroad and a department store, one of the largest department stores, I may say, certainly south of the United States, and one of the biggest department stores in the world.

Mr. JOHNSON of Washington. Oh, no.

Mr. LAGUARDIA. Oh, the gentleman does not know the turnover.

Mr. JOHNSON of Washington. It is a pretty good sized store, but that department store itself makes trouble with the Government at Panama, and only a few thousand people live within the whole range of that department store.

Mr. LAGUARDIA. Is the gentleman advocating abolishing that department store?

Mr. JOHNSON of Washington. Oh, I think not, if it is necessary for the United States employees.

Mr. LAGUARDIA. Of course not. Here is this department store in competition——

Mr. JOHNSON of Washington. I am not so sure but what I would object to certain sales to American travelers being made at that store of goods that are brought to the United States tariff free legally. Haviland china, fine silks, table linens, and things of that sort, on which we have tariffs. That might be a good reason for objecting to it.

Mr. LAGUARDIA. The gentleman has registered his objection to that.

Mr. DENISON. Of course, the gentleman knows there is no competition on the Canal Zone, because there is no other business conducted on the Canal Zone except by the Government.

Mr. LAGUARDIA. But across the street is the city of Panama, and there are stores of all kinds, as the gentleman from Washington suggests.

Mr. JOHNSON of Washington. And a number of them are run by Hindus who have got into old Panama, and now they can not get rid of them, even though that Government is trying to prevent others from coming in.

Mr. LAGUARDIA. Because they have not the benefit of the gentleman from Washington writing their immigration laws.

Mr. JOHNSON of Washington. That is right; thanks. [Laughter and applause.]

Mr. LAGUARDIA. This department store is managed and operated not only efficiently but very economically, and the steamship company is one of the best operated and managed companies flying the American flag [applause], although it meets with all sorts of obstacles put in its way. However, with all this, they can meet the competition and still operate at a profit.

Mr. THATCHER. Will the gentleman yield to me?

Mr. LAGUARDIA. Yes.

Mr. THATCHER. Ought we not to have another Panama steamship in that service?

Mr. LAGUARDIA. Yes; and they have the money. I am sure the gentleman from Illinois [Mr. DENISON] will bear me out in the statement that they have a surplus, and this surplus is dissipated from time to time for purposes entirely outside of the steamship business or the railroad business. They ought to have another ship, but they are purposely kept down, and with all that I say they are operating so efficiently and economically as to operate on a profit and a very substantial one.

I wish the gentlemen who were here yesterday throwing stones at all sorts of Government operations would just look at the financial statement of this company.

Mr. GIBSON. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. GIBSON. May I remind the gentleman that the Panama Canal itself, a Government project, is operated successfully.

Mr. LAGUARDIA. Yes; and it was built by the Government. It amused me yesterday when my friend, the gentleman from Massachusetts [Mr. TREADWAY], got up here and with great indignation opposed Government operation, the Government competing with business; but I remember when some of his friends in Massachusetts went into the canal business and could not make a go of it, they then dumped it on the United States and made it a Government operation. I did not hear the gentleman from Massachusetts protesting at that time.

Mr. COLE. The Canal Zone is operated by the United States Army or by the War Department, and they are doing it well.

Mr. LAGUARDIA. The engineers of the Army are very efficient.

Mr. COLE. And yet we hear statements made that the Army is extravagant and wasteful.

Mr. LAGUARDIA. The Military Establishment is costly. When they are not producing, of course, it is costly; they can not help that. But in every job they are assigned to they have performed it very well.

Mr. COLE. I think well of the Army operations myself, but I wanted to get the gentleman's opinion.

Mr. LAGUARDIA. In all likelihood we may have the Army down to Muscle Shoals.

Mr. COLE. I hope not.

Mr. LAGUARDIA. I hope so. If they go there, they will do a good job.

Mr. COLLINS. The gentleman from Iowa does not seem to know that the Canal Zone is not being run by the Army.

Mr. COLE. By the War Department.

Mr. COLLINS. No.

Mr. DENISON. The canal government is run by the President. He is authorized to designate an agency and he designated the Secretary of War.

Mr. LAGUARDIA. And the Secretary of War usually has designated an Engineer officer as governor.

Mr. COLE. The War Department operates that zone.

Mr. LAGUARDIA. Yes; and anything that is operated for the benefit of the public you can always depend on any branch of the Government doing it efficiently and successfully. Of course, if you take something that a private corporation can not operate successfully, that is different. In one case many opponents of Government operation came here and stated that the Government had to establish the Inland Waterways Corporation. They must have tugboats and barges. Private business could not do it at a profit, so the Government had to do it. We gave them an appropriation. Then they increased the capital stock of the corporation and then again they said that this business is a bad thing; it can not be operated at a profit. So the Government went into it and found that the Government could do the job very well. So the law was changed to provide that as soon as a profit was had the corporation must be given over to private operation. Yet Government operation is criticized on the floor of this House.

Mr. COLE. The gentleman from New York does not seem to be in any hurry about the matter under consideration.

Mr. LAGUARDIA. Yes; I am.

Mr. COLE. I thought the gentleman might have some ulterior purpose.

Mr. LAGUARDIA. I never have any; I am going to resent that and stop right away. [Laughter.]

Mr. COLE. I will say that if the gentleman has an ulterior purpose I might be willing to help him out.

Mr. LAGUARDIA. No; seriously, I wanted to point out the inconsistency of many gentlemen on the question of Government operation. I am glad the gentleman from Illinois got up and advocated this bill. If the United States Government can operate a steamship company and a railroad and a canal and a department store, why, surely a State or a municipality can operate a bridge.

Mr. DENISON. I want to say in that connection that I have made a study for a number of years of the whole project of the Panama Canal operation. I think it is one outstanding example of efficient, economical Government operation, the greatest example I know of.

Mr. LAGUARDIA. After what has been said by the gentleman from Iowa and the exhaustive statement by the gentleman from Illinois, I yield the floor.

Mr. DENISON. Mr. Speaker, I yield three minutes to the gentleman from Kentucky [Mr. THATCHER].

Mr. THATCHER. Mr. Speaker, the gentleman from Illinois [Mr. DENISON], whose committee has had this bill under consideration, has explained its general provisions to the effect that the retirement laws of continental United States are laid down and adjusted to the conditions existing on the Isthmus of Panama. In my judgment no more meritorious bill could come before this body for consideration. I believe the thanks of Congress and the country generally are due the committee, and especially to the gentleman from Illinois for the exhaustive study thus made of the subject, and for the excellent bill that has been brought here for consideration. The Panama Canal and the Panama Railroad employees did a great job during the construction days of the canal. The construction constituted the greatest industrial enterprise in all history; and it was carried through with marvelous efficiency. The canal, to-day, is functioning with the smoothness of a Swiss watch. I join in a tribute to Col. Harry Burgess, the present governor of the canal, who is doing a splendid piece of work in handling the affairs of the canal; and I am glad, also, to pay my tribute to the men who will be the beneficiaries under this legislation. The bill is highly meritorious, and I am very happy to be able to aid in its passage. Some of the beneficiaries will be those who served in the canal and railroad work during the period of the construction of the great waterway, when I had the privilege of official service in that connection. Hence, I am very grateful for the opportunity which to-day is mine to vote for a measure that will accord them—and the subsequent isthmian workers, as well—the benefits which they have so richly earned. No finer body of employees was ever assembled than that which dug the great "ditch"; and in the force there to-day operating the canal and the railroad, the same high spirit carries on. In passing this measure we are discharging a long-delayed and most sacred obligation.

Mr. McCORMACK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. THATCHER. Yes.

Mr. McCORMACK of Massachusetts. Can the gentleman state definitely whether or not these men, these employees of the railroad, are for all practical purposes in the employ of the Federal Government?

Mr. THATCHER. For all practical purposes they are.

Mr. COLLINS. Mr. Speaker, will the gentleman from Illinois yield?

Mr. DENISON. Certainly.

Mr. COLLINS. How much above the ordinary rates are the rates carried in this bill?

Mr. DENISON. Twenty-five per cent, the same as their rate for wages.

Mr. COLLINS. I had understood that the rates were higher than that.

Mr. DENISON. Not at all, except in this respect: The bill carries a special provision for the benefit of the old-

timers, as they are called, who went down to the Canal Zone and worked under the very unhappy conditions that existed during the construction days. A few of those employees are left. The Government years ago made special provision for the officers of the Army and the Navy and the Public Health Service who worked down there during construction days, who made sacrifices by remaining and working there under very unhealthful conditions. We advanced their rank and their pay as a reward for what they did. President Roosevelt recommended that we do the same for the other men who made the same sacrifice in working down there in construction days, when it was not healthy. This bill carries a slight recognition in favor of those few remaining men who worked there during construction days.

Mr. EATON of Colorado. If the gentleman will permit, this is the answer to his question. Instead of 3½ per cent it is 5 per cent of their wages that the employees contribute.

Mr. COLLINS. I understand that; but how much above the 25 per cent do these men receive?

Mr. DENISON. Thirty-six dollars a year for each year they worked during construction days.

Mr. COLLINS. And of course the gentleman knows that at President Roosevelt's suggestion the Army officers who were employed there were given credit for that time, but that the physicians in the Army that were employed on that work were not given credit for that time.

Mr. DENISON. I did not know that.

Mr. COLLINS. I understand that is the case.

Mr. DENISON. The public health officials were.

Mr. COLLINS. The physicians in the Army, I am advised, were not.

Mr. DENISON. I did not know that. President Roosevelt recommended that some kind of recognition be given to the men who helped dig the ditch, and so did General Goethals; but we have never gotten to it and this is the first time that we have had an opportunity to do what we ought to have done years ago for the men who made those sacrifices.

Mr. COLLINS. Then, with the exception of these men, none of the others will receive more than 25 per cent in excess of the amount received by other employees of the Government? They are the only exceptions above the 25 per cent?

Mr. DENISON. The Panama Canal act of 1912 provides that the employees working on the canal shall receive 25 per cent above what is paid for similar employment in the United States.

Mr. COLLINS. Does the gentleman not think that the reason for that rule is over?

Mr. DENISON. Oh, not at all. The conditions in the zone are such that the health officials recommend the employees to take a vacation at least every two years, with their families.

Mr. COLLINS. They are paid for that time?

Mr. DENISON. Not at all.

Mr. COLLINS. They are allowed leave?

Mr. DENISON. Of course. They are allowed 30 days' leave of absence with pay each year.

Mr. COLLINS. They are allowed 60 days per year.

Mr. DENISON. Not at all. They have 30 days' leave with pay, and they can allow that to accumulate, and every two years they will have 60 days, but that does not pay their own expenses or for taking their families away for two months or more.

Mr. COLLINS. And they can travel on Government steamship lines at a reasonable fare.

Mr. DENISON. Oh, I have talked with many of them and I find that it costs them very much to bring their families back to the States for vacations.

Mr. COLLINS. What are the maximum rates carried in the bill?

Mr. DENISON. There is no maximum rate. The highest rate for the Government is $1,125 a year.

Mr. COLLINS. There are those who will receive a larger amount than that.

Mr. DENISON. Oh, yes; depending upon their salaries and adding the earnings accruing from their own contributions.

Mr. COLLINS. What will be the maximum rate?

Mr. DENISON. I think the highest rate that can be drawn under this bill is $2,750 a year.

Mr. STAFFORD. Mr. Speaker, will the gentleman in his time permit me to ask whether the provisions of the bill apply to employees of the Panama Canal Steamship Line which was formerly operated as an adjunct of the Panama Railroad Co.?

Mr. DENISON. It applies to those working on the steamships, but it does not apply to any employees working in the United States. It does not apply to any canal employees living in the United States or who have an office in the United States. It does not apply to anybody unless they are working in the Tropics.

Mr. STAFFORD. Does it apply to some of those who are employed on the Panama Canal steamship lines operating between New York and the Canal Zone?

Mr. DENISON. No; not unless they work in Panama.

Mr. STAFFORD. This is one of the bills which I did not have an opportunity to study carefully. What additional provisions are being made as to the old-time employees who went there to construct the canal, back in 1909 and 1910, in the early days of the canal?

Mr. DENISON. In addition to their annuity allowed under the law, each one will be allowed $36 a year for each year's service during the construction days between 1904 and 1914.

Mr. STAFFORD. But they had to be in the employ of the Isthmian Canal Commission at the time?

Mr. DENISON. Yes.

Mr. STAFFORD. It has no other retroactive features granting pay to those who, at the present time, are retired from service?

Mr. DENISON. No.

The SPEAKER. The question is on the motion of the gentleman from Illinois [Mr. DENISON] to suspend the rules and pass the bill.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

PLATTSBURG BARRACKS, PLATTSBURG, N. Y.

Mr. JAMES of Michigan. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 15071) to authorize appropriations for construction at Plattsburg Barracks, Plattsburg, N. Y., and for other purposes.

The SPEAKER. The gentleman from Michigan [Mr. JAMES] moves to suspend the rules and pass the bill (H. R. 15071), which the Clerk will report.

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated not to exceed $150,000 to be expended for the construction of a gymnasium, service club, theater, and library, at Plattsburg Barracks, Plattsburg, N. Y., and such utilities and appurtenances thereto as, in the judgment of the Secretary of War, may be necessary to replace the building destroyed by fire in 1917, and the temporary building that was destroyed by fire in 1930.

The SPEAKER. Is a second demanded?

Mr. COLLINS. Mr. Speaker, I demand a second.

Mr. JAMES of Michigan. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JAMES of Michigan. Mr. Speaker and ladies and gentlemen, this is a very important bill. Up to 1917 there was a drill hall at Plattsburg owned by the War Department. At that time it was burned. There was a community building, built by the Young Men's Christian Association, and the citizens of Plattsburg and the Army could use that for a recreation hall and drill barracks. In December last year that building was burned and there is no other place for a community center or drill hall or anything of that nature. The membership are all acquainted with the climate of Plattsburg. It is necessary to have a building in

which to drill. The committee unanimously reported this bill, which has the approval of the War Department.

I reserve the balance of my time, Mr. Speaker.

Mr. COLLINS. I would like to ask the gentleman some questions.

This bill seems to be for the construction of a gymnasium, service club, theater, and library. Is this building to be used for any purpose other than those purposes mentioned?

Mr. JAMES of Michigan. Only for the purposes mentioned in the bill.

Mr. COLLINS. Just for those purposes?

Mr. JAMES of Michigan. Service club, theater, library, and gymnasium, which also means a drill hall.

Mr. COLLINS. A drill hall?

Mr. JAMES of Michigan. Yes.

Mr. COLLINS. I see no mention of "drill hall" in the bill.

Mr. JAMES of Michigan. That is the only place they can drill.

Mr. COLLINS. How many troops are quartered at Plattsburg?

Mr. JAMES of Michigan. About 1,000 troops.

Mr. COLLINS. The gentleman does not think that $150,000 will provide sufficient funds for doing all the things contemplated in the bill, does he?

Mr. JAMES of Michigan. The gentleman is very much convinced that it will.

The SPEAKER. The question is on the motion of the gentleman from Michigan to suspend the rules and pass the bill.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

CONVICT LABOR IN INDUSTRY

Mr. HAWLEY. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 16517) to prohibit importation of products of convict labor and forced labor, to protect labor and industry in the United States, and for other purposes, with an amendment.

The SPEAKER. The gentleman from Oregon [Mr. HAWLEY] moves to suspend the rules and pass the bill H. R. 16517, with an amendment. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That all goods, wares, articles, and merchandise mined, produced, manufactured, transported, handled, loaded, or unloaded, wholly or in part, in any foreign country by convict labor, or/and forced labor, or/and indentured labor under penal sanctions, shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited, and the Secretary of the Treasury is authorized and directed to prescribe such regulations as may be necessary for the enforcement of this provision. The provisions of this act relating to goods, wares, articles, and merchandise mined, produced, manufactured, transported, handled, loaded, or unloaded by forced labor or/and indentured labor, shall take effect on April 1, 1931, and shall remain in full force and effect until Congress provides otherwise, but shall not be applicable to goods, wares, articles, or merchandise so mined, produced, manufactured, transported, handled, loaded, or unloaded which are not mined, produced, or manufactured in such quantities in the United States as to meet the consumptive demands of the United States.

"Forced labor," as herein used, shall mean all work or service which is exacted from any person under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily.

In any proceeding under or involving the application of any provision of this act reports and depositions of officers or agents of the United States shall be admissible in evidence.

The SPEAKER. Is a second demanded?

Mr. RAMSEYER. I demand a second.

Mr. HAWLEY. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. The gentleman from Oregon [Mr. HAWLEY] is recognized for 20 minutes and the gentleman from Iowa [Mr. RAMSEYER] is recognized for 20 minutes.

Mr. HAWLEY. Mr. Speaker, ladies and gentlemen of the House, the purpose of this bill is to protect the free American labor of this country from convict, forced, or indentured labor employed in the course of production abroad.

In this country there is free labor. That is, that every citizen can choose his occupation, the place and time where he will engage in it, and agree upon the compensation he is to receive. We do not believe that our free labor should be brought into competition or forced into competition with the nonfree labor of other countries of the world, and for the reason that this bill is so based, all labor and its organizations in this country are very earnestly advocating its passage.

The bill is the present law with three changes. In the course of the manufacture and distribution of commodities there is transportation, handling, loading, and unloading; and because they are necessarily a part of the general course of commerce those four words have been added to cover all the operation in the manufacture and distribution of commodities. Our labor is employed in all of those activities.

The second amendment is to advance the date from January 1, 1932, to April 1, 1931. The purpose of that is to bring into more speedy operation the operation of the present law.

The third amendment is the last paragraph. We have found great difficulty, if not impossibility, in obtaining information from certain countries. Under the ordinary course of our importations, if the Treasury of the United States is in doubt about any fact concerning a particular import, its value, its character, cost of production, character of labor employed, and various other items, we have the right and the privilege of sending to the country in question our agents to obtain the facts. But in some countries we are not permitted that privilege or opportunity. The latter paragraph provides that—

In any proceeding under or involving the application of any provision of this act reports and depositions of officers or agents of the United States shall be admissible in evidence.

At present these are not admissible as evidence in the court. This will, in a measure, enable our Government to carry out the mandate of the law and to supply evidence that may be receivable in court to determine questions arising under the law.

As I said a moment ago, this is the existing law, with three amendments. The second amendment would have been carried in the law had it not been for the condition of the conference when the tariff act was under consideration. The Senate conferees were advised by their parliamentarian that they could not agree to any earlier date than the one in the existing law. It was believed that the date we have proposed should have been put in and it would have been put in at that time had the parliamentary situation in the Senate permitted its insertion.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. HAWLEY. Gladly.

Mr. LAGUARDIA. I can readily understand how these facts can be ascertained concerning any country with which we have relations, simply by sending our representatives there, but how will these facts be ascertained in order to determine whether or not these goods come under any of the prohibitions contained in the law?

Mr. HAWLEY. We have consular agents, commercial agents, and diplomatic agents in all countries of the world except a few, and these officers can get in contact with persons and officials and ascertain from them what they believe to be the facts, certify that their investigation shows them to be the facts, and that will, in a way, enable us to receive evidence on the subjects involved in the bill.

Mr. LAGUARDIA. Would it not have been possible to write into the law a provision that any country exporting to the United States would have to give our customs representatives the right to ascertain these facts, regardless of whether they are recognized or not?

Mr. HAWLEY. I think the State Department was of the opinion that we could not do that without tacitly recognizing that country.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. HAWLEY. I yield.

Mr. COCHRAN of Missouri. Does the gentleman feel that pauper labor is covered by the terms of this bill?

Mr. HAWLEY. The descriptions of labor are convict labor, which we understand; forced labor, which is defined in the bill; and indentured labor, which is contract labor.

Mr. COCHRAN of Missouri. My reason for asking is that about 1914, when I was secretary to the late Senator Stone, of Missouri, he introduced a resolution in the Senate providing that our consular agents abroad should make reports on what they found in the various countries to which they were assigned as to the activities of convict labor, pauper labor, and so forth. The war broke out and those reports were slow in coming in, and if I am not mistaken I have those reports in my possession to-day. Some of the reports showed that a great mass of goods was being shipped into this country made by convicts and paupers in foreign countries in competition with our free labor. I am absolutely in favor of the passage of this bill, the thought originating in the mind of Senator Stone, of Missouri, back in 1914.

Mr. MONTET. Will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. MONTET. I am wondering if the gentleman will explain why the committee did not deem it advisable to make this prohibition apply to all industries alike. I call the gentleman's attention to the last section of the first paragraph of the committee amendment, which reads as follows:

But shall not be applicable to goods, wares, articles, or merchandise so mined, produced, manufactured, transported, handled, loaded, or unloaded which are not mined, produced, or manufactured in such quantities in the United States as to meet the consumptive demands of the United States.

Mr. COLLINS. Mr. Speaker, this is a very important measure and I suggest the absence of a quorum.

The SPEAKER. Evidently there is not a quorum present.

Mr. HAWLEY. Mr. Speaker, I move a call of the House.

Mr. RAMSEYER. Mr. Speaker, I move that the House do now adjourn.

The motion was rejected.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 35]

Abernethy	Douglass, Mass.	Johnson, S. Dak.	Pratt, Harcourt J.
Aldrich	Doutrich	Johnston, Mo.	Pratt, Ruth
Andresen	Doyle	Kahn	Ransley
Beck	Drewry	Kearns	Romjue
Bell	Edwards	Kendall, Pa.	Rowbottom
Bland	Elliott	Kennedy	Sabath
Bloom	Ellis	Kerr	Schafer, Wis.
Brand, Ohio	Estep	Kiefner	Short, Mo.
Brunner	Evans, Mont.	Korell	Sirovich
Buchanan	Fenn	Kunz	Somers, N. Y.
Burdick	Fish	Langley	Spearing
Busby	Fitzpatrick	Larsen	Sproul, Ill.
Butler	Garrett	Lea, Calif.	Stevenson
Carley	Gavagan	Leech	Stobbs
Carter, Calif.	Gifford	Lindsay	Stone
Celler	Golder	Linthicum	Sullivan, N. Y.
Chase	Graham	Loofbourow	Sullivan, Pa.
Chiperfield	Granfield	McClintic, Okla.	Sumners, Tex.
Christopherson	Hall, Ill.	McCormick, Ill.	Swick
Clague	Hall, Miss.	Mansfield	Taylor, Colo.
Clark, Md.	Halsey	Menges	Thompson
Clark, N. C.	Hancock, N. Y.	Michaelson	Thurston
Connolly	Hancock, N. C.	Montague	Timberlake
Cooke	Hardy	Moore, Va.	Tinkham
Cooper, Ohio	Hartley	Nelson, Wis.	Tucker
Corning	Haugen	Newhall	Underhill
Coyle	Hickey	Niedringhaus	Watson
Craddock	Hill, Wash.	O'Connor, La.	White
Cross, Tex.	Hoffman	O'Connor, N. Y.	Whitehead
Crowther	Holaday	Palmisano	Whitley
Cullen	Hudspeth	Parks	Williams
Dempsey	Hull, William E.	Parsons	Wolfenden
Dickinson	Hull, Tenn.	Perkins	Woodrum
Dickstein	Igoe	Pittenger	Yates
Douglas, Ariz.	Johnson, Ind.	Pou	Zihlman

The SPEAKER. Two hundred and ninety Members present, a quorum.

On motion of Mr. TILSON, further proceedings under the call were dispensed with.

Mr. HAWLEY. I will conclude the remarks I was making with this statement: The officers of the Treasury in charge of customs have given the matter very careful attention, and they say the three amendments proposed in this bill are necessary, practicable, and will be of great value in the administration of the act. This bill will not prevent the importation of rubber, tea, coffee, and articles not produced here.

Mr. Speaker, I reserve the balance of my time.

Mr. RAMSEYER. Mr. Speaker, ladies and gentlemen of the House, if I may have your attention a few minutes, I want to explain to you what is before us. This is a make-believe bill. It is not going to accomplish anything that can not be accomplished under existing law. Furthermore, it has a provision in it which, I think, is unjust and inequitable to our traders.

In the next place, it has two provisions in it that I shall come to presently that the learned chairman of the Ways and Means Committee and no other member of the Ways and Means Committee can tell you what they are or what they mean.

We have in the present tariff law section 307, which deals with convict, forced, and indentured labor.

The provision as to convict labor is not new. It has been a part of our law for many years, and that is that goods produced or manufactured by convicts can not come into the country. The present law adds the words "mined" so that goods mined or produced or manufactured can not come into this country under the tariff act of 1930.

If you have the report on this bill before you, you will see that the bill proposes changes in section 307, and the last page of the report gives the comparative print and the following words are added, "transported, handled, loaded or unloaded," to "mined, produced, manufactured"; to the addition of these new words there is no objection.

The convict-labor part of the bill is in effect now; that is, with respect to goods produced by convicts. Such goods are excluded and have been excluded for many years.

The terms "forced labor" and "indentured labor" were new in the tariff act of 1930, so under this act the provision excluding goods manufactured, mined, or produced by forced or indentured labor was not to go into effect until January 1, 1932. We have a somewhat definite idea about what indentured labor is, but I repeat that there is no person on the Ways and Means Committee who can give any understandable definition of forced labor; and if the chairman of the Ways and Means Committee can get up here and define "forced labor" I will let him do it in my time. Nobody seems to know what it is and the definition in the law does not define anything, as I will show you presently.

Now, the chief thing that this bill does is that it changes the date with respect to the time after which goods produced by forced and indentured labor shall be excluded from this country from January 1, 1932, to April 1, 1931.

This does not only apply to Russia but it applies to all the world. Russia has no indentured labor. The indentured labor is employed in the Orient and in the Tropics, from which we get many things that we need in this country.

Our traders who buy or import goods from countries that have indentured labor, depending on the law going into effect on January 1, 1932, have already made arrangements that the labor after January 1, 1932, should not be indentured labor, so that the goods may come in here. A lot of contracts have been made for this year. So if there is any forced or indentured labor existing in any part of the world used in producing the goods imported into this country, the contracts for such goods for this year have already been made, and this fixing the exclusion date at January 1, 1932, which is the date after which such goods can not be imported, placed the traders on their guard, and they must see to it that the imported goods after that date are produced by labor other than forced or indentured.

This changing of the date, I think, is not only unfair but is dishonest to our American citizens who import products that are needed here, but which happen to be made by forced or indentured labor. These traders acted in good faith, relying on the effective date set by Congress at January 1, 1932. I am just as much opposed to forced and indentured labor as anybody, but Congress should be fair and honest with our citizens who engage in foreign trade.

We come now to this definition of forced labor. Some one asked the gentleman from Oregon [Mr. HAWLEY] when he

was on the floor here, what is forced labor, and the gentleman said that that is defined in the bill. Let me read you what the bill says:

"Forced labor," as herein used, shall mean all work or service which is exacted from any person under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily.

I asked every witness before the committee his definition of forced labor, or just what that provision I just read meant, and I think probably the gentleman from New York [Mr. FISH] came as near defining forced labor as anybody. I asked him what is forced labor when he was discussing that question before our committee, and he said, "Forced labor is labor that is not free." Then I asked him what free labor is, and he said, "Free labor is labor that is not forced." [Laughter.]

Mr. HAWLEY. Will the gentleman yield?

Mr. RAMSEYER. I will.

Mr. HAWLEY. This language to which the gentleman refers is now in the law and will be the law if the bill should not be passed. So it is not an issue at this time.

Mr. RAMSEYER. It is an issue, only in this respect: Some Members may think that they are voting something to benefit labor, when in truth and in fact they are not. When they vote to push up the date on forced labor—a form of labor that the committee can not define—they do not help our labor, but they do harm our traders.

Now as to indentured labor. Let me tell you what indentured labor is, such as they have in the Orient and the Tropics. That is where a man signs a contract, selling himself for a certain period of years for a certain fixed fee—maintenance, support, and so forth, for a fixed period of years. That is indentured labor. That is a term pretty well recognized in the law. The term "forced labor" is not recognized in the law, no court decision has defined it, and as defined here in this bill nobody knows what it means. I repeat that neither the chairman of the Ways and Means Committee nor any member of the committee has the least idea of how this law attempting to define forced labor should be construed by the administrative officials.

When the Assistant Secretary of the Treasury Lowman was before our committee I asked him this question:

Now, define what is meant by "the menace of any penalty for its nonperformance."

Mr. Lowman is the fellow who has got to administer the law. Mr. Lowman said, "I do not know what that means, I would like to have you tell us."

Up to date nobody has told him, and nobody can tell him, and I challenge anyone who speaks for the bill, who thinks that he is helping labor by this provision to get up and define forced labor or give the meaning of the definition in the law.

Mr. JOHNSON of Washington. I will define it.

Mr. RAMSEYER. I have asked the members of the Ways and Means Committee to define it.

Mr. JOHNSON of Washington. I believe the word means conscripted labor—that is, labor of those who are drafted as if drafted into the Army to do what the commander tells them or starve.

Mr. RAMSEYER. That is not the definition in the bill. The way it is defined here is that it means all work or service which is exacted from any person under the menace of any penalty for its nonperformance. Neither Secretary Lowman nor anybody else in the Treasury Department has the least idea of what it means.

Mr. BANKHEAD. Will the gentleman yield?

Mr. RAMSEYER. I yield.

Mr. BANKHEAD. The chairman of the committee says that the language that the gentleman is criticizing is in existing law. When was it written into existing law?

Mr. RAMSEYER. In the present tariff act.

Mr. BANKHEAD. Did the gentleman vote for it?

Mr. RAMSEYER. It was put in in conference and escaped my attention.

Now, there is another addition to the law here. Here for the first time in the history of the country we have in the last paragraph in the bill this provision:

In any proceeding under or involving the application of any provision of this act reports and depositions of officers or agents of the United States shall be admissible in evidence.

There is nothing like it in existing law. The chairman seemed to think that that would apply to cost production of anything that comes in under the tariff act.

Mr. HAWLEY. No; I did not make that statement. It applies only to what is in this bill.

Mr. RAMSEYER. All right, then I misunderstood the chairman; that is out of the way. Let me repeat:

Reports and depositions of officers or agents of the United States shall be admissible in evidence.

That makes competent in evidence in any lawsuit involving this act reports of officers. It does not say whether they are officers of the Treasury Department, or officers specially designated to investigate such a situation, but the report of any officer with any department of the Government can be admitted as competent evidence, without opportunity for cross-examination. Of course depositions have always been admissible in any lawsuit if gotten in compliance with law, but a deposition gotten for one case can not be used in another case. I think the person who wrote this provision probably meant affidavit instead of deposition, but as it is here it is meaningless and does not help out anything. This provision is either vicious or meaningless.

Mr. Speaker, I reserve the remainder of my time. I yield five minutes to the gentleman from Michigan [Mr. CLANCY].

Mr. CLANCY. Mr. Speaker, former Vice President Marshall achieved a great deal of fame when he said that what the country needs is a good 5-cent cigar. In this period of discontent and distress, if this amendment be passed you will deprive the country of a good 5-cent cigar, because all cigar manufacturers outside of a few in the Southeast agree absolutely as experts that the best 5-cent cigar can not be made without a Sumatra wrapper. What the gentleman from Iowa [Mr. RAMSEYER] said, that this bill is not keeping faith with legitimate industry, is true. When the Smoot-Hawley tariff bill was enacted, notice was given to legitimate industry that the indenture labor provision would not go into effect until the first of next year, January 1, 1932.

This bill puts that indenture labor clause into effect almost immediately, April 1, 1931. It cuts down the period nine months so that the contracts which these people have made will be nullified; they will be left in the lurch with indentured crops on their hands. It throws out of business immediately 200 employees in one cigar factory in my district in Detroit and in many others in Detroit and throughout the country. Innocent people will suffer a very definite loss. That is true of the Sumatra tobacco business. They went forward in good faith.

After the first of next year they will produce the Sumatra crop with free labor. There is going to be nothing indentured about it and there will be no suspicion about it.

To prove that the Ways and Means Committee did not know just what effect this bill will have, as has been alleged by the gentleman from Iowa [Mr. RAMSEYER], I cite you the fact that the Treasury Department is holding hearings today to clarify and determine just what the bill does mean, and what these gentlemen promise you is this: That if you take the bill as it goes through here to protect the manganese people and the lumber people and to hit at Russian Soviet business, then, if the Treasury Department sees that it interferes with other legitimate business, they may amend the bill in the Senate.

Mr. LEHLBACH. Will the gentleman yield?

Mr. CLANCY. No; I regret I can not yield. I have not the time. What is true of the Sumatra tobacco business may also be true of the rubber business. When the Blaine indentured labor amendment was put through in the Senate recently they did not know that immediately they destroyed

a $30,000,000 investment of the United States Rubber Co., of Detroit, alone, in Siam. They did not know that they made it impossible to bring here such basic and necessary drugs as quinine and camphor and many other products. So the Blaine amendment was amended so as to protect rubber and drugs. I led that battle. We have the Sumatra tobacco industry crippled, but we do not know now whether the contracts on drugs and the contracts on rubber and other products will lead to a loss of millions or not. Everyone knows that Henry Ford went into the Tropics in Brazil to go into the rubber business. You all know that he is having trouble with his labor. Americans do not understand labor in the Tropics. If the people there get a few dollars they quit, and the crop is ruined. Indentured labor is a necessity. I ask the chairman of the Committee on Ways and Means to explain just what is in the minds of the committee, whether it is to hit at lumber and manganese importation, and to go into a Temperate Zone such as Russia, and whether it is also the intention to destroy legitimate American business in the Tropics.

I insert the following letters and lettergrams:

DETROIT, MICH., *February 20, 1931.*

Hon. ROBERT H. CLANCY,
Congressman, Washington, D. C.:

Seriously object to embargo on Sumatra tobacco. Will ruin 80 per cent of the cigar business, as there is no wrapper grown in this country that will satisfactorily substitute.

FRED P. CHILD,
Sales Manager, General Cigar Co.

DETROIT, MICH., *February 21, 1931.*

Hon. ROBERT H. CLANCY,
Member of Congress:

We seriously object to prohibiting importation of Sumatra wrapper at this time, as it will ruin the 5-cent cigar, which constitutes about 70 per cent of the cigar business. In our 50 years' experience as cigar jobbers we can not recall any 5-cent cigar having attained any volume of business that was made exclusively of domestic tobaccos. Consumers are demanding a good 5-cent cigar, and to make it good Sumatra wrapper must be used. Will appreciate anything you can do to defeat this bill.

JOHN T. WOODHOUSE & CO. (INC.).

DETROIT, MICH., *February 21, 1931.*

Hon. ROBERT H. CLANCY,
Congressman:

The measure to prohibit importation of Sumatra wrappers for cigars will seriously effect the cigar business of our country; a business which is at a low ebb and tottering now. Your best offices to defeat this bill will be of great help to the industry as well as its many workers.

THE DETROIT INDEPENDENT CIGAR DEALERS' ASSOCIATION,
By HERMAN LIEBERMAN, *Treasurer.*

DETROIT, MICH., *February 21, 1931.*

Hon. ROBERT H. CLANCY,
House Office Building:

Bill prohibiting importation convict-labor goods has not been considered by board of commerce officially, but wholesalers, including cigar manufacturers, strongly opposed to bill. Will continue study of its effects, advising you.

DETROIT BOARD OF COMMERCE.
L. G. MACOMBER.

DETROIT, MICH., *February 20, 1931.*

Congressman ROBERT CLANCY,
United States Congress, Washington, D. C.:

If the Kendall bill proposing placing embargo on Sumatra tobacco April 1 passes it will be ruinous to the cigar industry and would deprive over 200 of our employees of work in our factory. Would suggest allowing entry of Sumatra up to December 31, 1931, as we have assurance that the crop following the present one will be raised by free labor in the Dutch East Indies. Kindly use your best effort to have same amended.

SPIETZ CIGAR CO.,
Per CHARLES J. SPIETZ.

BAY CITY, MICH., *February 19, 1931.*

Hon. ROBERT H. CLANCY,
United States Congressman, Washington, D. C.

DEAR CONGRESSMAN: A bill has been passed through the Ways and Means Committee and is now before the House of Representatives, known as House bill No. 16517 as amended. It refers to section 307 of the tariff act of 1930, and proposes to move forward the effective date of embargo on Sumatra tobacco raised by indentured labor from January 1, 1932, to April 1, 1931.

We very strongly protest against the enactment of this bill on the ground that there is not sufficient wrapper in this country now to carry the cigar manufacturers through until the next crop of Sumatra is raised by free labor. We have assurances that the crop following the present one is to be raised by free labor in the island of Sumatra.

Therefore, if the date is moved forward it will cause immediate disaster to the cigar business, which would be avoided if the effective date of this bill remains as it was in section 307 of the tariff act of 1930, or if an amendment could be attached to this bill permitting the importation of Sumatra tobacco up to December 31, 1931.

We respectfully ask your cooperation in helping to protect the cigar-manufacturing interests of your State.

Respectfully yours,

THE HEMMETER CIGAR CO.
HERBERT S. HEMMETER.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. HAWLEY. Mr. Speaker, I yield five minutes to the gentleman from Mississippi [Mr. COLLIER].

Mr. COLLIER. Mr. Speaker, ladies and gentlemen of the the House, my distinguished friend Mr. RAMSEYER has said that this bill does not make any changes in existing law for the benefit of labor. I call his attention to one concrete case. A cargo came into the United States recently and it was clearly proved that this cargo was loaded on the vessel by convict labor but while the presumption was great, yet there was no direct evidence to show that it had been manufactured by convict labor and the cargo was admitted.

Under this bill that particular cargo would not have been admitted because it was loaded by convict labor. This bill does not interfere with nor embarrass us in any of our international relations. It does not violate any rule adopted by the other civilized nations of the world. We find that all of the civilized countries have adopted the same rule in respect to subjecting their labor to competition with convict labor of other countries.

The policy has long been established in the United States. In the tariff act of 1909 we find—

SEC. 14. That all goods, wares, articles, and merchandise manufactured wholly or in part in any foreign country by convict labor shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited, and the Secretary of the Treasury is authorized and directed to prescribe such regulations as may be necessary for the enforcement of this provision.

In the Underwood Act of 1913 we find this provision—

SEC. IV. * * * I. That all goods, wares, articles, and merchandise manufactured wholly or in part in any foreign country by convict labor shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited, and the Secretary of the Treasury is authorized and directed to prescribe such regulations as may be necessary for the enforcement of this provision.

The Fordney-McCumber Act of 1922 followed the same principle and recites—

SEC. 307. That all goods, wares, articles, and merchandise manufactured wholly or in part in any foreign country by convict labor shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited, and the Secretary of the Treasury is authorized and directed to prescribe such regulations as may be necessary for the enforcement of this provision.

The Hawley-Smoot Tariff Act followed the same unbroken custom but the provisions were broadened, and new classifications made.

The acts of 1909, 1913, and 1922 recited that all goods, wares, articles, and merchandise manufactured wholly or in part by convict labor should not be entitled to entry at any port of the United States, but the act of 1930 broadened the provision by including the words mined and produced, in addition to the word manufactured.

In the act of 1930, we find for the first time the inclusion of the provision forbidding the entry of goods, wares, and merchandise when mined, produced, or manufactured by forced or indentured labor. There was also included a definition of "forced labor."

The provision relating to forced and indentured labor was qualified by postponing its enforcement until January 1, 1932, and also by specifically providing that the forced and indentured labor clause should not be applicable to goods, wares, articles or merchandise, which are not so mined, produced, or manufactured in such quantities in the United

States as to meet the consumptive demands of the United States.

Mr. CONNERY. Will the gentleman yield?

Mr. COLLIER. I yield.

Mr. CONNERY. I am in favor of the principle of this bill, but I would like the gentleman to explain the last proposition in the bill:

Shall not be applicable to goods, wares, articles, or merchandise so mined, produced, manufactured, transported, handled, loaded, or unloaded which are not mined, produced, or manufactured in such quantities in the United States as to meet the consumptive demands of the United States.

I would like to ask the gentleman if that means that we do not want anything to come in from Europe which is mined or manufactured by convict labor unless we need it in the United States, but if we need it, then we are going to take this commodity that is produced by forced labor? I do not like that provision in the bill.

Mr. COLLIER. The purpose of that provision is this: For instance, take as an illustration goods of rubber which are produced by indentured labor——

Mr. CHINDBLOM. Will the gentleman yield?

Mr. COLLIER. I yield.

Mr. CHINDBLOM. The provision to which the gentleman from Massachusetts [Mr. CONNERY] refers does not apply to productions of convict labor at all. It is limited to productions of forced and indentured labor. Convict labor is already prohibited, whether we need it or not.

Mr. CONNERY. But are we going to take the products of forced labor if we happen to need them, but not take them if we do not need them? Is that it?

Mr. COLLIER. In a sense, that is it. In those cases where the United States can not produce, mine, or manufacture a sufficient supply to meet the needs and demands of the American people, then this bill will permit those products to come in.

Mr. CONNERY. I shall support the bill, but I hope it will be amended in the Senate.

Mr. YON. Will the gentleman yield?

Mr. COLLIER. I yield.

Mr. YON. This is an interpretation of the bill and the setting up of the provisions of section 307 of the tariff law, is it not?

Mr. COLLIER. Part of it. Most of section 307 is already existing law. As the gentleman from Iowa [Mr. RAMSEYER] said, we make the indentured and forced labor clause effective April 1, 1931, instead of January 1, 1932.

Mr. BLACK. Will the gentleman yield?

Mr. COLLIER. I yield.

Mr. BLACK. It seems to me the word "deposition" in the bill will require agents in those countries where we have no consular officers to run over on a bicycle or airplane to another country to get the depositions authenticated. I think the word "deposition" is too binding. A broader term should be used, like "unsworn statement."

Mr. COLLIER. There was some effort to get the language broadened, but this was the best bill we could get under the circumstances.

Mr. DAVIS. Will the gentleman yield?

Mr. COLLIER. I yield.

Mr. DAVIS. Is it not a fact that our exports to Russia are five times our imports from Russia?

Mr. COLLIER. About that.

Mr. DAVIS. The gentleman stated he knew of no protest. Did the gentleman not see the dispatch the other day to the effect that if this bill were passed Russia would cut off trade relations?

Mr. COLLIER. This bill has been in effect since the last tariff act, or most of it, and there has been no protest on that account.

Mr. DAVIS. Oh, no.

Mr. COLLIER. I believe the gentleman's apprehensions along that line are unfounded.

This bill does not in principle differ from section 307 of the Hawley-Smoot Act, from which no unpleasant international complications have arisen. I am speaking now about section 307, for many expressions of hostility from foreign countries have reached us in relation to many sections of the last tariff act, and many retaliatory measures have been, and doubtless will be, enacted against us until we repeal or amend many of its monstrous rates and indefensible provisions; but I am now speaking specifically about section 307, and I repeat that this section has not brought upon us any hostile criticism that I can find from any foreign country.

The present bill does not change the principle of existing law. It simply makes it stronger, adds to it, and will make it easier to enforce. It applies to all countries alike, and only goods, wares, and merchandise from those countries which attempt to violate its provisions will be excluded.

The bill before the House materially differs from existing law only in three particulars. First, it adds the words "transported, handled, loaded, or unloaded" in addition to the words, "mined, produced or manufactured" in the tariff act of 1930. Second, it makes the date in relation to the "forced and indentured labor" clause effective April 1, 1930, instead of January 1, 1931, as provided in existing law, and third, it recites that in any proceeding under or involving the application of any provision of the act, reports and depositions of officers or agents of the United States shall be admissable as evidence.

I do not believe that the passage of this bill will involve us in any unpleasant controversies with any foreign country. I believe it is in the best interests of our country and of American labor and I hope it will pass the House by a large majority.

CHANGES IN EXISTING LAW

This proposed legislation has the effect of superseding section 307 of the tariff act of 1930. For the convenience of the House, a comparison of H. R. 16517, as amended, with section 307 of the tariff act of 1930 is shown below, as follows:

[Existing law roman type; matter omitted in brackets; and new matter in italic type]

[All] *That all* goods, wares, articles, and merchandise mined, [produced or manufactured] *produced, manufactured, transported, handled, loaded, or unloaded,* wholly or in [part] *part,* in any foreign country by convict [labor] *labor,* or/and forced [labor] *labor,* or/and indentured labor under penal [sanctions] *sanctions,* shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited, and the Secretary of the Treasury is authorized and directed to prescribe such regulations as may be necessary for the enforcement of this provision. The provisions of this [section] *Act* relating to goods, wares, articles, and merchandise mined, produced, [or manufactured] *manufactured, transported, handled, loaded, or unloaded* by forced labor or/and indentured labor, shall take effect on [January 1, 1932;] *April 1, 1931, and shall remain in full force and effect until Congress provides otherwise,* but [in no case] shall [such provisions] *not* be applicable to goods, wares, articles, or merchandise so mined, produced, [or manufactured] *manufactured, transported, handled, loaded, or unloaded* which are not mined, produced, or manufactured in such quantities in the United States as to meet the consumptive demands of the United States.

"Forced labor," as herein used, shall mean all work or service which is exacted from any person under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily.

In any proceeding under or involving the application of any provision of this act reports and depositions of officers or agents of the United States shall be admissible in evidence.

Mr. RAMSEYER. I wish to correct my friend from Mississippi. This is not an embargo bill. The Secretary of State was asked to come before our committee on the embargo bills, among others, an embargo against Russia. The Secretary of State was not asked to come before the committee on this bill.

Mr. COLLIER. Will the gentleman yield for just a moment?

Mr. RAMSEYER. Certainly.

Mr. COLLIER. I think the chairman of the committee will bear me out that we adjourned over one day on this bill to permit the Secretary to appear before us. It is true there were a number of embargo bills, and I may be mistaken; but I think we adjourned over one day to hear from the Secretary of State and the Secretary of Commerce, and Mr. Klein came down the next day.

Mr. RAMSEYER. That was on the embargo bills.

Mr. COLLIER. That was on this particular bill which we are considering.

Mr. RAMSEYER. The gentleman is mistaken.

Mr. RAGON. That was on the embargo bills.

Mr. COLLIER. My colleagues both say I am wrong, so I will withdraw that.

Mr. RAMSEYER. Of course, this bill has the imperfections I pointed out before, but the worst feature of this bill is that it pushes up the provision of existing law from January 1, 1932, the date which all of our traders and merchants had in mind, and contracted accordingly to April 1, 1931. I think that part is unfair and unjust. As I stated before, the whole bill is a make-believe bill. It is not going to do anybody any good, and it may hurt a number of people engaged in foreign trade and affect our trade with Europe and the rest of the world.

The SPEAKER. The question is on the motion of the gentleman from Oregon [Mr. HAWLEY] to suspend the rules and pass the bill.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

EXTENSION OF REMARKS—CONVICT LABOR IN INDUSTRY

Mr. HAWLEY. Mr. Speaker, I ask unanimous consent that all Members have five legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JOHNSON of Washington. Mr. Speaker, under leave to extend remarks on the bill to define "convict labor" I beg to say that I had the privilege of appearing before the Ways and Means Committee in support of the bill of the gentleman from South Dakota [Mr. WILLIAMSON] in behalf of his bill, H. R. 16035, to place a general embargo on all goods coming from countries where trade systems such as that being developed in the Union of Socialist Soviet Republics. I desire to append the statement made by me before that committee, as follows:

Mr. WILLIAMSON. The next witness, Mr. Chairman, that we would like to call is Representative JOHNSON, chairman of the Immigration Committee.

STATEMENT OF HON. ALBERT JOHNSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WASHINGTON

The CHAIRMAN. Being a Member of the House, you understand, of course, how the 10-minute rule operates.

Mr. JOHNSON. I hope I can get along on less.

Mr. Chairman and gentlemen, my duties and my position as chairman of the House Committee on Immigration and Naturalization have brought me, for a long time, an opportunity to have more or less knowledge as to the development of the activities of the Soviet Union, and particularly its attempt to establish and to carry on the 5-year program.

My activities have also given me an opportunity to know quite a bit of the activities of the American coalition, and how and why it works, and I may say that I have had the pleasure of knowing Captain Trevor, who just testified before you, for 10 or 12 years, and I do not know a more earnest, hard-working man engaged in the intensive study designed to bring out all facts on this and other problems at his own expense. He is a man who is not an extremist along any line. He is not given to extravagant statements, and he writes and speaks with care and caution. Because of these attributes, his testimnoy is especially valuable.

As a basic plan this idea of joining together of fifty-odd patriotic societies to do certain things was with the purpose of having their delegates, a large number of whom are residents here, such as Mrs. Walker, of the Daughters of American Revolution, and Mr. Gray, representing the farm organization, meet frequently to find out what bills are likely to be acted on, and to secure them and send them to the national officers of their organizations. It eliminates a great deal of mail to Members of Congress, and it eliminates many demands for printed matter. This central body of the coalition does take part in problems that might be considered as political, but only with those which they think endanger or affect the whole United States; in other words, from a unified patriotic standpoint.

As an illustration, this organization will find out from the Immigration Committee what the key bills happen to be, and, if there is time, those bills are sent out. If there is not time, these men and ladies, a large number of whom are legislative agents right here, meet and use their best judgment in the formulation of petitions, protests, and indorsements to be submitted to Congress, and they come in en bloc, and I have found their efforts quite valuable and helpful.

I was glad that I got into the room just in time to hear a part of the testimony and the cross-examination of the young man who went to Russia and who tried to work in the rolling mills there. The reason that I was so interested is that I have personally interviewed men in the third congressional district of Washington State, which I have the honor to represent, who are fishermen, and a few who are loggers, who went over to Russia under similar contracts and allurements, over $300 a month, and who managed to break their contracts and run away and come back.

Take the fishermen; they are husky people, in North Pacific and Alaskan waters, and the Columbia River; some of them are the descendants of the Norse country, such as Sweden and Finland, and it was very easy to interest them when offered an opportunity to earn $300 a month in Russia with the understanding that they were to be teachers in the important business of fishing. So they made contracts to go to Russia. It turned out that those who made the contracts with them were either fourth-rate agents of this Amtorg, not the big ones in the east, but fourth-rate agents, and also certain agents of western steamship lines.

Well, these boys got over there and, as one man said to me, he would not have stayed under the circumstances there for a million rubles, because after he got his $300 or $400 a month, he could not buy butter or anything that he wanted to eat, and so he decided to get out if he had to run out.

Now, he said that they tried to make it comfortable for these fellows who were to be the teachers and directors in the task of enlarging the fishing industry.

And right while I was inquiring about this, I happened to be at Astoria, Oreg., in Chairman Hawley's own district, and there was a ship loaded with a part cargo of tin plate—tin plate that had been manufactured in Pittsburgh, shipped to Astoria on the lines of the Union Pacific west of Chicago onto this boat, bound for Vladivostok. I made some inquiries about it, and it developed that that plate, when it arrived at Vladivostok, was to be taken in charge by the soviet system, which runs the fishing business, and made into cans under the same plan of conscripted labor, cheap wages—$15 supposed to be, in exchange, equivalent to ours, but not so. The fishing was to be done by the same kind of labor, as well as the dressing of the fish and the packing into the cans, and then the stuff was to be shipped, not necessarily to the United States but to France and Sweden and elsewhere. The labor was to be furnished by the Soviet Government itself, to be paid this low wage, the product to go out into the markets of the world; and it disturbs the United States market whether that product is sold in France or Sweden or here.

Now, look at the other side. The holders of stock in a certain corporation that makes the tin plate want the dividend, the profit; the working people in that great industry here in the Eastern States want the pay that comes to them; the railroad, getting this long haul, wants the transportation pay; and the steamship line wants the cargo.

Can we afford to strike all that down in order to do our part for this breaking down of the soviet system of control? I do believe we can afford to do it.

Now, it is a tremendous guess as to whether the soviet system of control can survive. At first blush I think any man would say that the system will break of its own weight, that human beings won't stand against that control and force; but I have talked to the workmen out in my country, where we have had very little in the way of pay rolls since July, and only intermittently for months before that, because our industries have all been hurt, and they said, "Put yourself where I am, out of work; suppose that I am told I will have to work the way the United States Government tells me to work or that I will starve; which would I do? I will work."

That is the way they have to do it in Russia, and their people have to swallow it. Our people now there can get out, but they can not; and this boy who testified was dead right in everything he said, and he was honest.

If I could afford it I would have some of our fishermen and a few loggers come here, but I have the affidavits upstairs. I have worked a year on this, and I have tried to collect some information on it, and I have enough to make a scrapbook as big as a dictionary, and I have a manuscript of a man from my district who traveled for one year in Russia, who described some of these things, and he said that where these gigantic projects are under way, like that great electric proposition on the Dnieper River, there are many Americans, skilled people and engineers, who are able to get together as if in a great colony, you might say, and get the equivalent of Russian rubles, and they have better chances for exchange with which to buy and a better opportunity to buy the kind of food that they want, so that they are comfortable.

Then there is that great dam, and that tremendous industry will be there; it is being built while we are building Boulder Dam, and no matter how their Government swings, that electric project is an addition to the assets of that part of the country, and so on with other projects. Also the building of railroads. The Government may have to change and twist, but those things are there. We all know that this communistic system has been operating for years. They keep changing fronts and generals just like an army has to do. Take the great struggle between our States; the armies on each side had to change plans to keep up a commissary and to feed and clothe. This whole Russian system as far as they can handle it at all is like an army, and it keeps straining that government tremendously to feed and to clothe. I hope and pray that it will fall down; but, Mr. Chairman, I am mortally afraid that the grips have got to come between this, the United States, the land of the so-called capitalistic government, with living on a very high plane, and this newest scheme in

government in a country much larger than this with a population larger than ours, mobilized to bring on a desperate struggle economically. And gentlemen if we do not lead what other country in the world can?

It is a tremendous problem, and I think every member of this committee knows it, and it is an enormous problem, a year's work for Mr. RAINEY or any of you gentlemen, or a student like our friend RAMSEYER, from Iowa, to bring these changing facts together and get a square view at the situation.

I have been offered money by certain magazines if I would write something on this soviet survey that I alone made, but it is hard to guarantee my facts at any given hour.

I am glad to see this bill in this shape. The quicker we can throw out a bill in defense, to meet the efforts of that government, the better we put ourselves in shape to hold up our end of the great economic and other disturbances that are shaking the world. Loose every bit of the export and import trade, if we have to. As one witness here said, you will never sell the wheat again at a price that will even pay anything in the way of profit to the man that grew it, and that will soon apply to fish, and it applies to manganese and other articles.

The chairman himself knows that in his district and mine the lumber and pulp business has been badly injured, and there is little in sight to revive it.

It is going to take nerve, gentlemen of the committee; and, of all the committees that I know of in Congress, your committee has got the courage.

I thank you for your attention, and ask for permission to revise my remarks.

The CHAIRMAN. Any questions?

Mr. CRISP. It is hardly necessary for me to say that I am not in sympathy with the Bolshevik Government of Russia, but I wanted to ask you this question. This committee has reported out a bill amending section 307 of the tariff act; which provides that no goods can be imported in the United States from any country if, in the manufacture or production of them, or in loading them or transporting them, convict, forced, or indentured labor is used.

The Treasury Department has rules and regulations, and those rules and regulations prescribe that if the question is raised as to whether those goods were produced, manufactured, or transported, or even loaded, by convict, forced, or indentured labor, the importer has the burden of proof and the importer must establish that the goods do not fall within any of those inhibited classes.

Mr. JOHNSON. I have read the bill.

Mr. CRISP. Does not that give ample power to deny imports from Russia, if the information that we have as to conditions in Russia is true?

Mr. JOHNSON. It will go part way. If we can not get anything else, it will help your whole situation maybe for a year, but I am afraid that it will not reach far enough. If the importer is connected in any way with the Amtorg or the Russian Government, directly or indirectly, he is a man whose oath or affidavit you can not believe because it is part of their system that this oath business is all capitalistic, and you would have considerable difficulty.

Mr. CRISP. The gentleman is quite able to realize, of course, that it does not prescribe what evidence the Treasury Department shall accept, or what weight it shall give to certain evidence.

That is left to the Treasury officials, and I think it is a fair assumption that the Treasury Department will use common sense and good judgment——

Mr. JOHNSON. I have always thought so, too.

Mr. CRISP (continuing). In passing upon evidence adduced before it.

Mr. JOHNSON. I think the committee has gone a long ways in what it got into the last tariff act, which I think was badly needed, at a time when we were sending money abroad to make goods to send back here, and there is merit in your bill, but not enough teeth in it, and I am willing to make the prophecy that less than one year will go by until you find it out.

I sat in with some men who were in conference last night. They have been students of the unemployment proposition of the United States, and from the statistics that have come to my committee I estimate that 7,000,000 people at this time are out of work in the United States; and, assuming that the Government does all that it can in the way of providing so many jobs, and that all of those who hire labor do all that they can in the way of getting men back into manufacturing and building and everything of that kind, and allowing for the normal number of men that are always out of work in this country on account of maladjustment, October will come and you will find out that there will be 3,000,000 men out of work who want work and can not obtain work.

Mr. RAMSEYER. Suppose that we put on an embargo against Russia and shut off the $30,000,000 in imports and $150,000,000 in exports, how many men will that put into employment in the United States?

Mr. JOHNSON. It would not put any.

Mr. RAMSEYER. But it would put these 60,000 to 100,000 out of employment?

Mr. JOHNSON. Yes; but continued unloading of conscript-made goods on to us is putting and will put more out of work.

If time had permitted, I would have carried this statement out, to the effect that the coming in of these products is more damaging now, and will be still more damaging, than the loss of labor now engaged in making certain articles to be sold to the Soviet Government of Russia.

Mr. RAMSEYER. I want to know whether you are arguing this from an economic standpoint?

Mr. JOHNSON. I am going at it from an economic standpoint.

Mr. RAMSEYER. Or whether you are here advocating an attitude to destroy the Russian Government?

Mr. JOHNSON. I am advocating that the Russian Government has the right to set up any kind of government it desires, but that the Russian Soviet has not the right to attempt to destroy our United States Government, where the people have a right to own property and to be protected in that ownership, and have the right to have and protect other rights to which they are entitled. Our people have had hard times many times before and have pulled out through their own efforts.

Mr. RAMSEYER. Let us stay on the economics of it for a moment.

Mr. JOHNSON. I will try.

Mr. RAMSEYER. You concede that an embargo right now would not better the employment situation, but that, in fact, it would make it worse right now?

Mr. JOHNSON. Yes; slightly, right now.

Mr. RAMSEYER. Well, slightly—at least, it would be that much worse?

Mr. JOHNSON. Apparently; slightly.

Mr. RAMSEYER. Now, the importations of lumber are not the cause of your distress out there. We went through that lumber situation; the distress in the lumber industry is chiefly that the farmers in recent years have not made enough money to buy building material.

Mr. JOHNSON. That is a part of it, but the big part is this: Tables were hung up over in the Speaker's lobby showing the loss of exports to China, Japan, South America, and so on, and that export market has been picked up more or less by everything that can be manufactured in Russia with this conscript labor.

Mr. RAMSEYER. But the Russian foreign trade is only about 2 per cent of the total world international trade; it is only about half as large as it was before the World War.

Mr. JOHNSON. If we have lost our cargo business, that is one item, is it not? There is very little cargo going out from the Pacific coast, and little coming in. What is the reason?

Mr. RAMSEYER. Mr. Johnson, it is the world's economic situation. Of course, we have lost in the world trade since this depression, but as far as I can find out our loss is relatively no greater than the loss of other trading countries. All of the countries have lost in their foreign trade.

Mr. JOHNSON. Then why should this country stand around and issue statements here, there, and everywhere, as if we can pick ourselves up by our boot straps and become prosperous in another 90 days' time?

Mr. RAMSEYER. Nobody is saying that.

Mr. JOHNSON. They are doing it in financial papers all the time.

Mr. RAMSEYER. This economic situation is world-wide.

Mr. JOHNSON. Certainly. It is going to stay that way for a long time, I am afraid.

Mr. RAMSEYER. I have my own views about it. It is largely due to war financing, blunders during the war in international financing, and the men in the world who control the finances have made a mess of international finance.

Mr. JOHNSON. I agree with you.

Mr. RAMSEYER. And unless the men who control the credits of the world loosen up very shortly and come to their senses Russia will not be the only country in the world that is communistic.

Mr. JOHNSON. I agree with that.

Mr. RAMSEYER. If this embargo would improve our economic situation, I might be favorably inclined toward it; but we, after all, as a committee consider the economics of the thing, not the international politics. It is not our business here as a committee to tell the Russians what kind of a government they shall have.

Mr. JOHNSON. I agree with that.

Mr. RAMSEYER. If that government does not fit into the character of the Russian people, it will collapse of its own weight in the course of years. If it fits into the character of the Russian people, no matter how much we denounce it here, how much we may dislike it here, it is going to continue to live, even though we shut off this $180,000,000 of trade.

Mr. JOHNSON. The minute the United States gets its backbone up against any kind of serf trade, going or coming, some other countries will get up their backbones. Up to date the only one I have heard of that has had any nerve was little old Mexico.

Mr. RAMSEYER. That is a conclusion to which you are entitled, and I am not saying that you are not right about it; but for the immediate future to shut off this $150,000,000 a year in exports would make economic conditions worse than they are.

Mr. JOHNSON. The reverse is just as true, but keep in mind which country's valuation we use in the figures. The sets of figures cheat each other. And I do not care whether it is $5,000,000 worth of manganese, $20,000,000 worth of wheat, $10,000,000 worth of coal, $2,000,000 worth of matches, a few millions worth of pulp, $15,000,000 or $20,000,000 worth of lumber——

Mr. RAMSEYER. But as to the manganese, if I am correct, we produce about 2 per cent of our consumption.

Mr. ESTEP. Six and ninety-five one-hundredths.

Mr. RAMSEYER. And of the imports, how much comes from Russia?

Mr. ESTEP. We import 50 per cent of our domestic needs from Russia, and the rest from Brazil and other places.

Mr. RAMSEYER. If we were to shut off Russia, it would simply mean that that much more manganese would come in from some other place.

Mr. JOHNSON. You are a member of this great committee and infinitely better prepared to state that than I am, as well as to know the exact figures, and I know that you are a close student of the situation, but we could debate back and forth till midnight. We must not forget whether or not we place Russian or American valuations on these imports.

I want to thank you for the time given me.

The CHAIRMAN. We thank you for the information that you have given the committee.

Mr. Speaker, I knew when I was addressing the Ways and Means Committee that the time was pretty short for consideration of a bill for general embargo against products from a country using convict, conscripted, drafted, induced, or forced labor. The gentleman from Georgia [Mr. CRISP] asked me if the bill of the gentleman from Pennsylvania [Mr. KENDALL], H. R. 16517, would do. I replied that it might help if we could get nothing with more teeth in it. That bill has passed the House, but the Senate Committee on Finance has laid it aside.

Next comes the struggle for consideration of separate bills for embargo on oil, and on coal, and on lumber, and on pulp. Confusion worse confounded. Mark the predictions made in my testimony printed above. Who wins for another season? The Union of Socialist Republics.

SUSPENSION OF IMMIGRATION

Mr. JOHNSON of Washington. Mr. Speaker, I make further use of this time to say that I expect H. J. Res. 500 to suspend for two years a large part of the immigration to the United States to be called up for consideration at any hour—perhaps this afternoon. I beg to ask Members to remain on the floor to prevent time being lost in quorum calls. This will help the whole program.

CANADA SUSPENDS IMMIGRATION FOR TWO YEARS

Canada has recently suspended immigration to that country for two years. The United States can not lag behind. Immigration and emigration enter into present world economic conditions in a very large way.

I desire to call attention to the following clipping from a Canadian daily newspaper:

IMMIGRATION HOLIDAY TO LAST TWO YEARS—GOVERNMENT DECIDES CANADA HAS ENOUGH WORKERS FOR PRESENT NEEDS—NO ASSISTED PASSAGES

OTTAWA, February 15.—A 2-year immigration holiday has been decided upon by the Dominion Government. It is estimated there are at present available in the country sufficient farm workers, unskilled laborers, household workers, and the like to supply all demands without bringing in any more until 1933.

The death knell of assisted passages has been sounded. The British trainee farms, which were established at great cost to fit city-bred workers for the wide-open spaces, may cease operations for the time being, so far as Canada is concerned, and that virtually applies to the other Dominions also, because Canada absorbed more British migrants than all the other Dominions combined.

When House Joint Resolution 500 is called up I shall try, if time permits, to give the exact meaning of Canadian restriction.

In the meantime I call attention to the headlines over a dispatch of the same date in the same Canadian newspaper:

Factory workers sent back to United States—Close check up carried out at border by immigration men—All leave voluntarily.

Canada will let no alien take a place needed by a Canadian workman. Canadian officials are combing the factories of that Dominion for Americans and others who have entered surreptitiously.

The United States will do well to take a lesson from Canada.

COMMUNITY COOPERATION

Mr. JOHNSON of Nebraska. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

There was no objection.

Mr. JOHNSON of Nebraska. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include an address delivered by myself at the sixth annual dinner of the Columbia Heights Business Men's Association, February 19, 1931, New Amsterdam Hotel, Washington, D. C.

The address is as follows:

Mr. Toastmaster, ladies and gentlemen, you do me greater honor than I am worthy of. It was with a great deal of pleasure, coupled with a keen sense of responsibility, that I accepted Mr. Burgett's kind invitation to address you on this occasion. It should always be a pleasure for anyone to meet an ambitious, industrious, community-loving people, who believe that in cooperative efforts there is security and strength. I feel my inability to bring you a message worth while. I can only hope, at my best, to give you a suggestion.

Two young business men were walking across the London Bridge when suddenly Abie said to Isaac, "I bet you $5 I can tell you what you are thinking about." Isaac replied, "I bet you $5 you can not." "Alright, it's a go then," said Abie. "I bet you were thinking about going over to Liverpool and buying a little business for $20,000, then insuring it for $30,000 and make $10,000 for yourself." "Ach! Here is the money," said Isaac. "Vell, den I guessed it, didn't I?" said Abie. "No, you didn't guess it, but the suggestion is worth the money," replied Isaac. I do hope that somewhere during my rambling remarks to-night I shall be able to say something that will bring a suggestion to you that will be worth your while and your money.

We know that America is the land of opportunity. We know that the American people are the most alert, active, progressive, best fed, and best clothed people in all the world to-day. This is due to the fact that in our country we still maintain the spirit of Washington and Lincoln, which is unity of interest in community, State, and Nation. We know the people whom we love and respect are the men and women of character, honor, and standing, who are determined to be the leaders in every practical movement for the betterment of humanity. They are a constructive people, building a nation, materially, politically, socially, and spiritually on a foundation of equality of opportunity. How can we have equality of opportunity without cooperative efforts in your community? I may not be able to tell you what always constitutes cooperative efforts, but I think I can give you an illustration of what they are not.

A man and his wife were shopping one Saturday night in a small town and he rather hastily purchased a new pair of overalls. When he reached home he discovered, in the presence of his wife, that these overalls were 6 inches too long. She being rather tired and realizing that it meant additional work for her to alter the overalls began to scold her husband for being so careless and not getting a pair that would fit. Of course he then began to realize that he had made a mistake. He really did not want to make his wife additional work so after they had retired and he thought his wife was asleep he got up and quietly went out into another room and cut 6 inches off the new overalls. Then quietly retired, feeling that he had done a very kind act for the wife. A little later when he was asleep his wife woke up and she was rather sorry for the harsh things she had said to her husband, so she quietly slips out of the room and cuts 6 inches more off of the overalls and she retires without waking the sleeping husband. A little later when both of them were sound asleep the mother in law (that ever-present help in the time of trouble), who had heard the argument when they returned home, thought she would protect the family ties and so she gets up and slips out to where the overalls are and cuts off 6 inches more. They were all working, they were all interested, almost to the extent of community interest, but it certainly was not cooperation. Cooperation and community interest brings us face to face with opportunities to help ourselves and to help others. What is an opportunity if it is not a condition that permits you to be of service to some one else? And service to others whereby you help them to help themselves is the greatest philanthropic work one can do. Sometimes we get a little tired trying to help others, and we feel like the little girl whose mother had continually been telling her that we were here to help others. One day when the little child thought it had gone about far enough she said to her mother, "Well, mother, what are the others here for?"

We are often looking for the opportunity to make money, and that is not to be condemned in its entirety; but opportunity in its broader sense is more than the mere chance to make money; that is the gambler's opportunity. Washington had opportunities to make money and he made it, but he did not let those opportunities keep him from seizing the greatest of all opportunities—to serve his fellow countrymen. Lincoln, seemingly, never had the opportunity to make money. He seemed always to be thinking of others; he gave his very life for his community, State, and Nation. We now honor him as the greatest of Americans. His religion was the Christ religion. He went about doing good, and that was the only opportunity he looked for.

The early settlers in America pushed the hostile Indian tribes back, broke the sod, killed the rattlesnake, built the bridges over the turbulent streams, and made life easier for the oncoming generations. They sat by the sick bed and gave succor to the weak and suffering without thought of pay. If you were to write your life's history to-night, I think you would be more likely to recall your service to mankind rather than the opportunities you have had to make money or acquire other wealth. Our forefathers had time and the opportunity to think for themselves; we are hardly granted that privilege nowadays—there are so many orators, daily newspapers, and books of fiction in this day and age that if we

listen to the orators and read the books and magazines we have no time to do our own thinking. I am reminded of a college professor who went out on a western ranch to spend his summer vacation. The first morning he was there he told the lady of the house, who was not so young any more, that he had certain hours for the study of English, Latin, science, and various other studies until he had taken up the entire day, so it seemed to her, and she turned to him and said, "When dost thou think?" An orator, it seems to me, is one who so couches his ideas—if he really has any—in flowery figures of speech until you or he or anyone else can not tell what he is thinking about.

My short experience in Congress leads me to believe that there are two distinct classes of men there, the thinkless talker and the talkless thinker. The men I like best are the talkless thinkers—they do the work—but on account of the other class it takes them a long time to get it done. You know, we do a lot of things up on Capitol Hill; some are wise and some otherwise. I think but very little of "the otherwise" gets into the statutes, but it does get into the daily records and the newspapers, usually confusing, misleading, and quite often very disgusting to the general public.

It seems to me it should be a primary duty of the people to make it their business to understand the fundamental principles of community, State, and National welfare and not to take their ideas too much from writers and speakers who have the gift of words but not the gift of ordinary common sense. In connection with this line of independent thought I like to think of Daniel, that fine young fellow in Bible history, who always kept himself so physically and mentally fit for all emergencies that he could be of service to anyone, friend or foe, even the king of a different nationality, and thereby free himself and his fellow countrymen. You recall the story wherein the king had a dream and forgot it, and for a king to do a thing like that, "it was just too bad," so he called in all the wise young men of his realm, who had attended their colleges and universities, for counsel in the matter. They could not tell him his dream and, of course, could not interpret it for him. The king had given Daniel and his three associates a sort of a civil-service examination and had made the remark that they were ten times smarter than any of his own young men. Daniel, not being of the same nationality as the king, one might think, would hesitate to offer his services, but here was his opportunity, so he called his associates to him and they did their own thinking. Daniel had never been to college or to a university, but somewhere he had learned to think and pray, so he and his associates went to God for His divine guidance, and with His help they were able to figure out the king's dream and to interpret it for him. None of them were put to death, which would have been the result if the king's dream had not been interpreted. Daniel was never considered to be a rich man, but he was a very successful man because he had the ability and the willingness to serve others.

A very beautiful and impressive memorial service was held in the House of Representatives to-day in memory of nine Members of the House who had departed this life since June 27, 1930. They were memorialized not because of any amount of wealth they had accumulated; in fact, not one word was said about their material wealth, but they were eulogized for the good they had done and the service rendered to others. Nowhere in this city of monuments and memorials, in Statuary Hall or Arlington, do we find statues erected to the memory of any man because of his ability to acquire wealth. We honor them for their heroic acts, deeds of valor, and service to their fellow countrymen.

An inventor is successful if his invention does what it was made to do. An author is successful if his book accomplishes its purpose. A man is successful if he does well that for which a man is made. If you have used your God-given faculties and powers to the best of your ability, you have been successful.

During the past few years I have had the occasion to cross the United States from ocean to ocean and to criss-cross it from northwest to southeast and southeast to southwest, and just recently returned from a 4,000-mile trip by water to Panama. It seems to me that the whole country is full of opportunities if we can just marshal our forces, individually and collectively, and seize them; that life is good and opportunities for doing good, socially and economically, are always with us. It seems to me that the Middle West is the door where opportunity is knocking to-day. There is where we have the substantial things of life.

It is really the bread basket and the meat platter of the world. You will pardon me if I seem to be a little boastful of my State, and especially the fifth congressional district, which I represent, when I tell you that in this district we have the two largest cooperative creameries in the world, the largest hog ranch in the world, and wonderful fruit and vegetable farms. It is true there are problems we must solve, and that is the case everywhere. Our main problem is the moisture question. We usually have an abundance of moisture during the year, but it often comes too early in the spring or too late in the fall. We have an abundance of fertile soil and an abundance of sunshine. A just right altitude ranging from 900 feet in the southeast and increasing to a mile high in the northwest, making a most wonderful climate for the production of all kinds of vegetables, fruits, grains, hay, livestock that is known to the Temperate Zone, if we could just have reservoir control of flood waters, that we might stabilize the climate and use the waters for irrigation and power purposes. With this problem solved I think a great many of the people from the congested cities would be glad to come and live with us, where they can fully enjoy the wholesome things of life.

Some might say this would cause an overproduction of food and grain, but I hardly think so. We are told to-day that there are millions of people not getting nearly enough to eat and are not comfortably clothed. Their Representatives in Congress have been insistent that the Government Treasury take care of them. As long as this condition exists there is no overproduction of supplies, but there is an improper distribution of labor and supplies. For the past few years we have been neglecting the country and the small town, and we have been building large cities and concentrating our wealth and labor in these cities until employment became top heavy and tumbled over with no one to pick it up.

There are thousands among the unemployed who were coaxed away from the farms because the agricultural interests have been belittled by demagogue politicians, and the industrial wage has been exalted by industrial greed, and because of this, too, those having money to invest (from the rural districts) have been tempted and induced to invest in securities offered by the high financiers of the cities who, when they fail, do not do it in any halfway manner but fail in the millions. We in the Middle West do not have the millionaires you do, and you wouldn't have them if we didn't help make them. When each and every community in the United States learns to combine its own efforts and money in a cooperative way for its own preservation and advancement, we will have the reservoirs in the Middle West to control the flood and run-off water for agricultural and other economical purposes, and you people who do not have this problem to solve will solve your problems by the same methods. There are some things our Government can do and some it can not do, with safety. There is one thing we, the people, should learn and that is to help ourselves and not run to the Government for everything we want.

Gentlemen, you are business men, doesn't your daily business, touching other business at a hundred points, lead you inevitably to the conclusion that the general run of business is fair play—a regard for the rights of others, competitors and customers alike—in short, a decent respect for the opinion of mankind? And being a good sport in business is not a matter of definition; it is a spontaneous quality that rises to opportunity and emergency. Its greatest inspiration often comes from disaster and disadvantage. An emergency exists to-day, an opportunity presents itself. You have had disaster caused by drought and unemployment, and disadvantages caused by the general depression. A greater Chicago, a greater Baltimore, and a greater San Francisco rose from smoldering ruins because the faith of those men triumphed under fire.

I believe we, as business men, should accept—in spirit if not in words—as our slogan: "Let experience be our teacher." While I have to some extent advocated individuality, community interest, and local cooperation I fully realize that no one (not even a farmer, though he can come as near it as anyone, if he is a good one) can live unto himself alone. Neither can a community, State, or Nation. Neither can anyone or a community long exist and scatter itself or himself all over other affairs. The others exist as an outlet for our surplus and we exist as an outlet for their surplus. There must be an intermingling of trade and commerce with all if all are to prosper. What I have said to-night about community interest and cooperative efforts as an aid to economic conditions is equally applicable to the enforcement and obedience to the law.

The daily press and the magazines call our attention continually to the disobedience and the laxity of the enforcement of our laws until we are virtually tired of the subject, but why do we disobey them and why are they not enforced? We disobey the laws just like we disobey our parents in childhood. If they caught us in our disobedience we were punished, but if we were not caught we thought we were smarter than they and the disposition to disobey grew on us.

But with all our man power and money why are not the laws enforced? Some one has said because every man has his price. That may be partly true, but not wholly true. Our individual and community respect for and obedience to the law has a whole lot to do with it. As to every man's price, I am reminded of a story of a very fond uncle who was teasing his nephew about his love for his mother. The little fellow declared that he loved his mother more than anyone in the whole world. His uncle said, "Oh, I don't think you care very much for your mother; I'll give you $20,000 for her." The little fellow replied, "No, you won't give me $20,000 for my mother; I won't take it." Then the uncle said, "I'll give you $30,000." "Oh, no you won't," the lad replied. Then as the last resort the uncle said, "I'll give you my old jackknife for her." The lad began to edge up to his uncle and said, "Let's see your old jackknife." There may be some men in office and there may be some out of office who will fall for money, there may be some who want position, popularity, or publicity of any kind, and then there are some who can not stand the gaff of society, which I believe is even cheaper than the old jackknife.

I believe the only way we can have our laws obeyed and enforced is for us as individuals—and as we join our forces in community interest—to fully realize that we are coequal with the Government in obeying the laws and in aiding our peace officers and courts in enforcing them.

In closing may I sum up what I have said in this thought—community interest is good will to others, and that is constructive thought. It helps build us up, it makes our blood purer, our muscles stronger, and our whole form more symmetrical in shape. It is the real elixir of life, and the more of such thought we attract to ourselves the more life we will have.

PIKE'S STOCKADE—H. R. 13521

Mr. EATON of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

There was no objection.

Mr. EATON of Colorado. Mr. Speaker, I recently introduced a bill to authorize the study, investigation, and survey for commemorative purposes, the place where the flag of the United States was first erected in that part of the west now within the boundaries of the State of Colorado.

"Pike's Stockade" has been the subject of fable, fiction, poetry, and official report. It was located January 31, 1807, laid out the next day, February 1, and occupied by Lieut. Zebulon Montgomery Pike and the remnant of his exploration party until February 26, when an expedition sent by the Spanish governor at St. Affe, or Santa Fe, as we now pronounce and spell it, presented the request of the Mexican governor for Pike to go to the palace and give an account of himself and his expedition. Whereupon, on that date, according to Pike's diary—

I immediately ordered my flag to be taken down and rolled up.

It was upon the 28th day of January, 1807, that Pike crossed over a pass in the Sangre de Cristo range after completing an exploration of the Arkansas River to its source near the present site of Leadville, Colo., and saw the sand hills which are at present the subject of study by the Director of National Parks for withdrawal and designation as the Sand Dune National Park. Pike's description of the view is set forth in his diary in the following words:

The sand hills extended up and down the foot of the "White" Mountains about 15 miles and appeared to be about 5 miles in width. Their appearance was exactly like that of the sea in a storm, except as to color; not the least sign of vegetation existing thereon.

A writer, under date of February 16, 1931, tells us that—

The sand dunes of the San Luis Valley rival the Arabian Desert in their lure and mystery, and may soon become a national monument.

The sand dunes include 60 square miles of drifting sand of a hundred hues, and are nestled in a pocket 40 miles northeast of Alamosa.

Towering on three sides are Mount Sierra Blanca, Mount Garfield, and Mount McKinley, all more than 14,000 feet high.

The dunes themselves rise nearly one-half a mile high. The drifting sand—sighing as it shifts constantly—gives the dunes a new contour while visitors watch.

Origin of the dunes remains a mystery, although an accepted theory is that the sand was swept up into the pocket from the huge inland lake bottom which once formed the San Luis Valley.

LIEUTENANT PIKE

After crossing over these sands Lieutenant Pike continued in a southerly direction, crossed the Rio Grande to the Mexican side and reached the prairie lands opposite the mineral springs (Ojo Caliente) and high hills on the banks of the Conejos River, the West Fork of the Rio Grande Del Norte. The site chosen was under a hill from which flows a mineral or thermal spring which never freezes, at a point where the current of the river would meet the ditch built around the work. It is a little north of the center of section 7, township 35, range 11.

The stockade was built 36 feet square and 12 feet high, of heavy cottonwood logs about 2 feet in diameter. An inside ditch was dug in which was planted sharp-pointed stakes, making a pointed frise which required removal before the works could be scaled. Then there was an outside ditch 4 feet wide filled with water all around. The earth taken out formed an excellent rampart against small arms, 3 or 4 feet high.

The mode of entering was to crawl over the ditch on a plank and through a small hole sunk below the level of the work near the river.

The portholes were about 8 feet from the ground, to shoot through which a platform was built.

Pike wrote in his diary:

Thus fortified, I should not have the least hesitation of putting 100 Spanish horse at defiance * * * resting under a full confidence of our not being panic struck by their numbers or force.

At this date it is interesting to read the views of Pike's contemporaries and later commentators, who remind us that the arrest of Pike by the Mexican authorities was attributed to their suspicions that he was connected in some way with the adventure then being charged against Aaron Burr. It was natural that they should regard his conduct the result of design rather than mistake, particularly when considered in connection with the events of Burr's conspiracy, and that Pike was establishing himself upon this foreign soil intentionally. The trial of Burr was beginning or in progress when Pike returned to Washington.

Pike's misapprehension of the geography may be excusable. No doubt he was bewildered among the mountains and streams that were likely to confuse all his calculations. And to-day we may well appreciate the gratitude of Pike upon his return after his enforced sojourn with the Mexicans, which caused him to write in his diary:

Language can not express the gayety of my heart when I once more beheld the standard of my country waved aloft! All hail! cried I, and ever sacred the name of my country, in which is embraced that of kindred, friends, and every other tie which is dear to the soul of man.

The Colorado State Historical Society and the Sons of Colorado have preserved the site, and this year the Twenty-eighth General Assembly of the State of Colorado is making arrangements for further and more permanent preservation of this historical shrine.

In conclusion, it is with pleasure that I may state that the Secretary of War has listed Pike's stockade for investigation for the purposes first mentioned, and to include an amount to cover the cost thereof in the next estimate to be submitted to Congress.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had agreed to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the Senate to bills of the following titles:

H. R. 12571. An act to provide for the transportation of school children in the District of Columbia at a reduced fare; and

H. R. 16415. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1932, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, the bill (H. R. 16969) entitled "An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1932, and for other purposes."

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House thereon, and appoints Mr. HALE, Mr. PHIPPS, Mr. KEYES, Mr. GLASS, and Mr. SWANSON to be the conferees on the part of the Senate.

CONFERENCE REPORT—TRANSPORTATION OF SCHOOL CHILDREN IN THE DISTRICT OF COLUMBIA AT A REDUCED FARE

Mr. McLEOD. Mr. Speaker, I call up the conference report on the bill (H. R. 12571) to provide for the transportation of school children in the District of Columbia at a reduced fare.

The SPEAKER. The gentleman from Michigan calls up the conference report on House bill 12571, which the Clerk will report.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 12571) entitled "An act to provide for the transportation of school children in the District of Columbia at a reduced fare," having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with the

following amendment: In line 7 of the engrossed Senate amendment, after the word "exceed," strike out the language down to and including the word "fares," in line 8, and insert in lieu thereof the words "three cents"; and the Senate agree to the same.

F. N. ZIHLMAN,
CLARENCE J. MCLEOD,
MARY T. NORTON,
Managers on the part of the House.

ARTHUR CAPPER,
JOHN J. BLAINE,
ROYAL S. COPELAND,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 12571) to provide for the transportation of school children in the District of Columbia at a reduced fare submit the following written statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House recedes from its disagreement to the amendment of the Senate with an amendment. The Senate amendment struck out all after the enacting clause and inserted a substitute. Under the terms of this substitute the Public Utilities Commission would be empowered and directed to establish reduced rates of fare for school children, provided that such rates would not be in excess of one-half the adult fare on street cars and busses in the District of Columbia. The amendment agreed upon by the conferees has the effect of restricting the commission to a maximum rate of 3 cents for children going to or from school.

F. N. ZIHLMAN,
CLARENCE J. MCLEOD,
MARY T. NORTON,
Managers on the part of the House.

The conference report was agreed to.

QUARANTINE INSPECTION SERVICE

Mr. PARKER. Mr. Speaker, I ask unanimous consent for the present consideration of Senate bill 5743, to authorize 24-hour quarantine inspection service in certain ports of the United States, and for other purposes.

The SPEAKER. The gentleman from New York asks unanimous consent for the present consideration of Senate bill 5743, which the Clerk will report.

The Clerk read the title of the bill.

Mr. STAFFORD. Mr. Speaker, I ask the gentleman to withdraw this bill. It is a long bill, and the Members will be able to read it between now and Monday.

Mr. PARKER. Is the gentleman going to object?

Mr. STAFFORD. Yes.

Mr. PARKER. Then, Mr. Speaker, I withdraw the bill.

CONFERENCE REPORT—NAVY DEPARTMENT APPROPRIATION BILL

Mr. FRENCH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill, H. R. 16969, making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1932, and for other purposes, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. The gentleman from Idaho asks unanimous consent to take from the Speaker's table House bill 16969, disagree to the Senate amendments, and agree to the conference asked by the Senate. The Clerk will report the bill.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER appointed the following conferees: Messrs. FRENCH, HARDY, TABER, AYRES, and OLIVER of Alabama.

CLASSIFYING CERTAIN OFFICIAL MAIL MATTER

Mr. SANDERS of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table, House Joint Resolution 357, classifying certain official mail matter, disagree to the Senate amendment, and ask for a conference.

The SPEAKER. The gentleman from New York asks unanimous consent to take from the Speaker's table House Joint Resolution 587, disagree to the Senate amendment, and ask for a conference. Is there objection?

Mr. RAMSEYER. Mr. Speaker, I object.

STATE LABORATORY AT HAMILTON, MONT.

Mr. MAPES. Mr. Speaker, I ask unanimous consent for the present consideration of Senate bill 5959, authorizing the purchase of the State laboratory at Hamilton, Mont., constructed for the prevention, eradication, and cure of spotted fever.

The SPEAKER. The gentleman from Michigan asks unanimous consent for the present consideration of Senate bill 5959. The Chair understands a similar House bill is on the calendar.

Mr. MAPES. Yes.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized to purchase from the State of Montana, at the actual cost of the same, to be determined by him, the laboratory of the State of Montana, at Hamilton, Mont., with its equipment, constructed for the purpose of carrying on, and at which are carried on jointly by said State and the Bureau of Public Health, studies and research for the prevention, eradication, and cure of spotted fever, and at which serum is produced for the treatment of patients suffering from such malady or likely to contract the same. Title to the ground upon which the said laboratory is situated with all equipment and supplies therein shall be taken in the name of the United States and shall be administered and maintained as a part of the United States Public Health Service, Treasury Department.

SEC. 2. There is hereby authorized to be appropriated the sum of $75,000 for the purpose hereinabove set forth, and an additional sum of $75,000 for constructing and equipping on the ground so to be acquired another building for the same purpose, for making alterations to the existing laboratory referred to, and for the construction of the necessary outbuildings.

The SPEAKER. Is there objection?

Mr. HUDDLESTON. Mr. Speaker, reserving the right to object, I voted against that bill in the committee because I did not think it had had sufficient consideration, and also it was not explained why it was emergent in its nature or why any immediate action should be taken on it. For that reason I am constrained to object.

Mr. CRAMTON. It is a real emergency.

Mr. LEAVITT. Will the gentleman withhold his objection?

Mr. HUDDLESTON. I will be very glad to withhold it in order that the gentleman may make an explanation.

Mr. LEAVITT. The purpose of this bill is to allow the Public Health Service to take over a laboratory that was constructed in Montana a number of years ago for the making of a serum to meet the menace of spotted fever, which comes from the bite of the woodtick.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. LEAVITT. Yes.

Mr. HUDDLESTON. I wish the gentleman would address himself to the question as to why this bill was only introduced on the 6th day of this month and why it is necessary to take immediate action upon it.

Mr. LEAVITT. It was introduced earlier in the Senate. Hearings were held in the Senate, and their report is much more complete. The situation of emergency is this: That whereas the study for the prevention of spotted fever began in Bitter Root Valley in Montana a number of years ago, that disease, which is a terrible disease and which comes from the bite of the woodtick, has now spread over one-eighth of the area of the United States, and it has gotten beyond the possibility of Montana producing the serum which makes it possible to fight that disease. There is an emergency. This bill has already passed the Senate,

and if it can be passed by the House to-night, it will go to the President immediately.

Mr. HUDDLESTON. When did those facts come to the gentleman's knowledge?

Mr. LEAVITT. I have known of the work being done for many years, but the proposition of taking it over by the Federal Government did not develop until comparatively recently, and that was the result of conferences between the health authorities of Montana and of the Public Health Service.

Mr. HUDDLESTON. The fault is not with us who do not always let a thing go by without any consideration. The fault is with those who fail to afford us an opportunity to know about these things.

Mr. LEAVITT. We introduced this bill and started the movement here reasonably soon after this agreement was reached between the Public Health Service and the Montana Health Service. I will say further to the gentleman that there is a general movement covering the entire United States for the enactment of this bill.

Mr. HUDDLESTON. The committee had no hearings on the bill, nobody was ever before us with respect to the bill. It was said that a letter was sent to the committee, but the letter was not read. If we are to legislate intelligently, certainly we need to know something more about it. I do not understand why, if the situation is what the gentleman appears to believe it to be——

Mr. LEAVITT. I know it to be that.

Mr. HUDDLESTON. Some attention has not been given to it before.

Mr. LEAVITT. Simply for the reason that Montana alone, with some cooperation in the last few years from the Public Health Service, has been carrying on this work. We have not asked that the laboratory be taken over by the Public Health Service until the situation had developed to a point where the disease had attracted the attention of the whole country.

Mr. HUDDLESTON. That has not been since the 6th of February.

Mr. LEAVITT. Oh, no.

Mr. HUDDLESTON. That has been going on for years. The condition with reference to spotted fever has been known to the medical profession for many years. There is nothing new about it.

Mr. LEAVITT. Four men have lost their lives in this work.

Mr. HUDDLESTON. Oh, more than that.

Mr. LEAVITT. The gentleman does not understand me. I mean in the experimental work four lives have been lost. It is very dangerous work, and these men have given their lives for humanity in an effort to find a way to stop this disease. We are particularly anxious to have the bill passed so that the item can be included in the deficiency bill and the enlarged work carried on. The disease extends, as I have stated, into one-eighth of the area of the United States and has now gotten far away from Montana.

Mr. ALLGOOD. It is a fact, then, that they absolutely have a serum that will cure spotted fever?

Mr. LEAVITT. Yes; one which is very helpful, but we can not manufacture it fast enough with our facilities in Montana to meet a national situation. The United States Public Health Service, backed by the health organizations of the entire country, desire to take it over and expend it and to carry it on in a way that will more completely meet the situation.

Mr. HUDDLESTON. All that is waived and assumed. What I object to is railroading a piece of legislation through without consideration, and that can not be defended so far as I can see.

Mr. LEAVITT. The gentleman does not blame me for that?

Mr. HUDDLESTON. I do not blame anybody in particular. I blame myself if I allow it to be done.

Mr. LEAVITT. As I understand, the committee had before it a statement from the Treasury Department setting forth these facts and the committee considered that sufficient. There is no necessity that I can see of calling witnesses with regard to a fact that is so well known. The gentleman himself has said that this danger has been known for years, so what was the use of bringing testimony into the case in this particular way?

Mr. HUDDLESTON. I presume we ought to just take somebody's word for it and not know a thing about it and just go on and pass a law about it.

Mr. LEAVITT. I would be very sorry if the gentleman should object, because it is a tremendous emergency.

Mr. HUDDLESTON. The impression made upon me, may I say, that this is an emergency is very faint.

Mr. LEAVITT. Well, it is.

Mr. HUDDLESTON. I hesitate very much to block the passage of the bill. I can not fail to attribute fault to those who are interested in the measure in not giving those who are not unfriendly to it a fair opportunity to understand it and to approve it.

Mr. LEAVITT. If the gentleman will permit me a little further there, we in Montana have been doing this work for years.

Mr. HUDDLESTON. Why can you not do it for another year?

Mr. LEAVITT. We can not do it any longer in the way that the Nation is demanding that the work be done. We have had the cooperation of the Public Health Service to some extent. We have had four sacrificial deaths among those who have been representing the Public Health Service. Let me say to the gentleman that death from the spotted-fever bite is probably the most horrible form of death that afflicts the human race. It is a terrible thing. In some States 90 per cent of those who are bitten by the fever tick die. In some other sections the percentage is smaller, but it seems to carry through consistently in percentages of death as a result of this bite.

We now have a valuable serum, but it is very dangerous to handle this serum even in its manufacture, and the work needs expansion for the benefit of one-eighth of the area of the United States. The disease is rapidly spreading. That is our trouble now. The problem has got clear out of the Bitter Root Valley and out of Montana and is now covering one-eighth of our area.

Mr. GREEN. If the gentleman will yield, I would like to say right here that the State health officer of my State has recently apprised me that the dread now is that it may spread to the south.

Mr. LEAVITT. It is in the East to-day. Within the last few months it has made its appearance in the eastern country.

Mr. GREEN. And it is very important that we cooperate in this work.

Mr. LEAVITT. Yes; it is. It threatens every State in the Union and I hope the gentleman from Alabama will not object.

The SPEAKER. Is there objection?

Mr. HUDDLESTON. Mr. Speaker, I feel that I ought to object but I am inclined to let it go. Members know that it has not been well considered. I know now more than I did before the bill was voted out.

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill was laid on the table.

On motion of Mr. MAPES, a motion to reconsider the vote whereby the bill was passed was laid on the table.

CLASSIFICATION OF MAIL MATTER

Mr. SANDERS of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 357, classifying certain official mail matter with a Senate amendment, disagree to the Senate amendment, and ask for a conference.

Mr. STAFFORD. Reserving the right to object, I thought the purpose of the Senate amendment was reasonable. It puts the size and weight of the package sent under frank as it is in the parcel-post system. The gentleman does not want to send a whole truck load of merchandise?

Mr. SANDERS of New York. That is up to the Members themselves.

Mr. STAFFORD. I thought the amendment was reasonable and should be agreed to.

Mr. SANDERS of New York. This only applies to documents.

Mr. KELLY. The whole purpose of the amendment is to permit a Member to send his official files to his own address. It is on the same basis now as public documents. The Senate put on an amendment changing it to mail of the first and fourth classes, which is 70 pounds weight. If the package weighs 80 pounds, it would be unmailable.

Mr. STAFFORD. I think every Member of Congress should be restricted to the size and weight of the parcel-post package. Why not? If you send it to conference, you may kill the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Chair appointed as conferees on the part of the House Mr. SANDERS of New York, Mr. KELLY, and Mr. MEAD.

Mr. LAGUARDIA. Mr. Speaker, I move that all bills passed to-day on the Consent Calendar be reconsidered and that motion lie on the table.

The SPEAKER. The Chair is informed by the Journal clerk that motions to reconsider have been made and have been laid on the table.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and under the rule referred as follows:

S. 5410. An act to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes; to the Committee on Public Lands.

S. 5782. An act to extend the times for commencing and completing the construction of a bridge across the Maumee River at or near its mouth, in Lucas County, Ohio; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILLS SIGNED

Mr. CAMPBELL of Pennsylvania, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 506. An act for the relief of Patrick P. Riley;

H. R. 16415. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1932, and for other purposes; and

H. R. 16738. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1932, and for other purposes.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 5458. An act authorizing the State of Louisiana and the State of Texas to construct, maintain, and operate a free highway bridge across the Sabine River where Louisiana Highway No. 7 meets Texas Highway No. 87.

BILLS PRESENTED TO THE PRESIDENT

Mr. CAMPBELL of Pennsylvania, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 458. An act for the relief of Catherine Panturis;

H. R. 504. An act for the relief of James Earl Brigman;

H. R. 2694. An act for the relief of the widow of Robert Graham Moss;

H. R. 3187. An act for the relief of Agnes Loupinas;

H. R. 7272. An act to provide for the paving of the Government road across Fort Sill (Okla.) Military Reservation;

H. R. 9803. An act to amend the fourth proviso to section 24 of the immigration act of 1917, as amended;

H. R. 14246. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1932, and for other purposes;

H. R. 15256. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1932, and for other purposes;

H. R. 15593. An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1932, and for other purposes; and

H. R. 16110. An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1932, and for other purposes.

ADJOURNMENT

And then, on motion of Mr. TILSON (at 5 o'clock and 40 minutes p. m.) the House, under its previous order, adjourned until Monday, February 23, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

862. Under clause 2 of Rule XXIV, a letter from the Secretary of Labor, transmitting report of an accumulation of papers which are not needed in the transaction of public business and have no permanent value or historical interest was taken from the Speaker's table and referred to the Committee on Disposition of Useless Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 14063. A bill to amend Act No. 4 of the Isthmian Canal Commission entitled "An act to prohibit gambling in the Canal Zone, Isthmus of Panama, and to provide for the punishment of violations thereof, and for other purposes," enacted August 22, 1904; without amendment (Rept. No. 2810). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 14064. A bill to amend Act No. 3 of the Isthmian Canal Commission relating to the suppression of lotteries in the Canal Zone, enacted August 22, 1904; without amendment (Rept. No. 2811). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 14065. A bill to amend an Executive order promulgated August 4, 1911, prohibiting promotion of fights between bulls, dogs, or cocks; without amendment (Rept. No. 2812). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 14066. A bill to prevent, in the Canal Zone, fire-hunting at night and hunting by means of a spring or trap, and to repeal the Executive orders of September 8, 1909, and January 27, 1914; without amendment (Rept. No. 2813). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 14067. A bill to regulate the carrying and keeping of arms in the Canal Zone; without amendment (Rept. No. 2814). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 14068. A bill to repeal the Executive order of November 23, 1909, making the enticing of laborers from the Isthmian Canal Commission or the Panama Railroad a misdemeanor; without amendment (Rept. No. 2815). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 14071. A bill to provide for the extradition of fugitives from the justice of the Republic of Panama who seek refuge in the Canal Zone; without amendment (Rept. No. 2816). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 14072. A bill to provide for the protection of birds and their nests in the Canal Zone; without amendment (Rept. No. 2817). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 14073. A bill to repeal an ordinance enacted by the Isthmian Canal Commission August 5, 1911, and approved by the Secretary of War August 22, 1911, es-

tablishing market regulations for the Canal Zone; without amendment (Rept. No. 2818). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 14074. A bill to regulate radio equipment on ocean-going vessels using the ports of the Canal Zone; without amendment (Rept. No. 2819). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 14075. A bill to provide for the inspection of vessels navigating Canal Zone waters; without amendment (Rept. No. 2820). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 14076. A bill to authorize certain officials of the Canal Zone to administer oaths and to summon witnesses to testify in matters within the jurisdiction of such officials; without amendment (Rept. No. 2821). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 14077. A bill to punish persons deported from the Canal Zone who return thereto; without amendment (Rept. No. 2822). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 14078. A bill to regulate the operation of street-railway cars at crossings; with amendment (Rept. No. 2823). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 14080. A bill to amend section 5 of the Panama Canal act; without amendment (Rept. No. 2824). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 14083. A bill to provide for the establishment of a customs service in the Canal Zone, and other matters; without amendment (Rept. No. 2825). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 14084. A bill in relation to the keeping and impounding of domestic animals in the Canal Zone; without amendment (Rept. No. 2826). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 14086. A bill to provide for the transportation of liquors under seal through the Canal Zone; without amendment (Rept. No. 2827). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 16555. A bill to amend the Penal Code of the Canal Zone; without amendment (Rept. No. 2828). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 16556. A bill to amend an act entitled "An act extending certain privileges of canal employees to other officials on the Canal Zone and authorizing the President to make rules and regulations affecting health, sanitation, quarantine, taxation, public roads, self-propelled vehicles, and police powers on the Canal Zone, and for other purposes, including provision as to certain fees, money orders, and interest deposits," approved August 21, 1916; with amendment (Rept. No. 2829). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 14081. A bill to provide for the appointment of a public defender for the Canal Zone; without amendment (Rept. No. 2830). Referred to the Committee of the Whole House on the state of the Union.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 14082. A bill in relation to the Canal Zone postal service; without amendment (Rept. No. 2831). Referred to the Committee of the Whole House on the state of the Union.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 15001. A bill to amend sections 7, 8, and 9 of the Panama Canal act, as amended; with amendment (Rept. No. 2832). Referred to the Committee of the Whole House on the state of the Union.

Mr. LANKFORD of Virginia: Committee on Naval Affairs. H. R. 17135. A bill to amend section 24 of the act approved February 28, 1925, entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve," as amended by the act of March 2, 1929; without amendment (Rept. No. 2839). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. S. 5813. An act to provide for the consideration of wild-life conservation in connection with the construction of public works or improvement projects; without amendment (Rept. No. 2841). Referred to the House Calendar.

Mr. HAUGEN: Committee on Agriculture. S. 2354. An act to amend the agricultural marketing act so as to include dip or crude gum; with amendment (Rept. No. 2842). Referred to the House Calendar.

Mr. HAUGEN: Committee on Agriculture. H. R. 14046. A bill providing for a survey of the loss sustained by Florida farmers and fruit growers in the Mediterranean fruit-fly eradication campaign; with amendment (Rept. No. 2843). Referred to the Committee of the Whole House on the state of the Union.

Mr. COX: Committee on Flood Control. H. R. 15995. A bill to provide a preliminary examination of the Edisto River and its branches, South and North Edisto, S. C., with a view to the control of its floods; without amendment (Rept. No. 2844). Referred to the Committee of the Whole House on the state of the Union.

Mr. BECK: Committee on Interstate and Foreign Commerce. S. 5746. An act granting the consent of Congress to the county commissioners of Baltimore County, Md., to construct, maintain, and operate a free highway bridge across Deep Creek at or near Marlyn Avenue, Baltimore County, Md.; without amendment (Rept. No. 2845). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 17134. A bill authorizing the State of West Virginia by and through the State Bridge Commission of West Virginia, or the successors of said commission, to acquire, purchase, construct, improve, maintain, and operate bridges across the streams and rivers within said State and/or across boundary-line streams or rivers of said State; with amendment (Rept. No. 2846). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 16950. A bill granting the consent of Congress to the police jury of Richland Parish, La., or the State Highway Commission of Louisiana to construct, maintain, and operate a free highway bridge across Boeuf River at or near Buckner, Richland Parish, La.; without amendment (Rept. No. 2847). Referred to the House Calendar.

Mr. MILLIGAN: Committee on Interstate and Foreign Commerce. H. R. 16970. A bill granting the consent of Congress to Missouri Valley Pipe Line Co., of Iowa, to construct, maintain, and operate a pipe-line bridge across the Missouri River; with amendment (Rept. No. 2848). Referred to the House Calendar.

Mr. COOPER of Ohio: Committee on Interstate and Foreign Commerce. H. R. 17053. A bill to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Moundsville, W. Va.; with amendment (Rept. No. 2849). Referred to the House Calendar.

Mr. BURTNESS: Committee on Interstate and Foreign Commerce. H. R. 17070. A bill granting the consent of Congress to Missouri Valley Pipe Line Co., of Iowa, to construct, maintain, and operate a pipe-line bridge across the Missouri River; with amendment (Rept. No. 2850). Referred to the House Calendar.

Mr. WYANT: Committee on Interstate and Foreign Commerce. H. R. 17071. A bill authorizing the construction of a bridge across the Mahoning River near New Castle, Lawrence County, Pa.; with amendment (Rept. No. 2851). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 17073. A bill granting the consent of Congress to the county of Cook, State of Illinois, to construct, maintain, and operate a free highway bridge across the Little Calumet River on Cottage Grove Avenue near One hundred and fifty-eighth Street, in Cook County, State of Illinois; without amendment (Rept. No. 2852). Referred to the House Calendar.

Mr. MILLIGAN: Committee on Interstate and Foreign Commerce. H. R. 17136. A bill granting the consent of Congress to the State Highway Commission of Missouri to construct, maintain, and operate a highway bridge across the Missouri River at or near Weldon Springs, Mo.; with amendment (Rept. No. 2853). Referred to the House Calendar.

Mr. WOLVERTON of New Jersey: Committee on Interstate and Foreign Commerce. H. R. 17141. A bill authorizing the Delaware & New Jersey Bridge Corporation, a corporation of the State of Delaware, domiciled at Wilmington, Del., its successors and assigns, George A. Casey, of Wilmington, Del., Clifford R. Powell, of Mount Holly, N. J., their heirs, executors, administrators, or assigns, to construct, maintain, and operate a vehicular tunnel or tunnels under the Delaware River between New Castle County, Del., and Salem County, N. J.; with amendment (Rept. No. 2854). Referred to the House Calendar.

Mr. MILLIGAN: Committee on Interstate and Foreign Commerce. H. R. 17144. A bill to legalize a bridge across the Eleven Points River at or near Thomasville, Oregon County, Mo.; with amendment (Rept. No. 2855). Referred to the House Calendar.

Mr. MILLIGAN: Committee on Interstate and Foreign Commerce. H. R. 17145. A bill to legalize a bridge across the White River approximately 11 miles south of Reed Springs, Stone County, Mo.; with amendment (Rept. No. 2856). Referred to the House Calendar.

Mr. MILLIGAN: Committee on Interstate and Foreign Commerce. H. R. 17146. A bill to legalize a bridge across the James River at Galena, Stone County, Mo.; with amendment (Rept. No. 2857). Referred to the House Calendar.

Mr. MILLIGAN: Committee on Interstate and Foreign Commerce. H. R. 17147. A bill to legalize a bridge across the St. Francis River 4 miles west of Kennett, Mo., joining Dunklin County, Mo., and Clay County, Ark.; with amendment (Rept. No. 2858). Referred to the House Calendar.

Mr. MILLIGAN: Committee on Interstate and Foreign Commerce. H. R. 17148. A bill to legalize a bridge across the White River at Forsyth, Taney County, Mo.; with amendment (Rept. No. 2859). Referred to the House Calendar.

Mr. MILLIGAN: Committee on Interstate and Foreign Commerce. H. R. 17149. A bill granting the consent of Congress to the Missouri State Highway Commission to construct, maintain, and operate a highway bridge across the White River at Branson, Taney County, Mo.; without amendment (Rept. No. 2860). Referred to the House Calendar.

Mr. MILLIGAN: Committee on Interstate and Foreign Commerce. H. R. 17170. A bill to legalize a bridge across the St. Francis River, one-fourth mile south of Greenville, Wayne County, Mo.; with amendment (Rept. No. 2861). Referred to the House Calendar.

Mr. BURTNESS: Committee on Interstate and Foreign Commerce. H. R. 17198. A bill granting the consent of Congress to the State of North Dakota to construct, maintain, and operate a free highway bridge across the Missouri River at or near Elbowoods, N. Dak.; without amendment (Rept. No. 2862). Referred to the House Calendar.

Mr. GRAHAM: Committee on the Judiciary. H. R. 5568. A bill to establish uniform requirements affecting Government contracts, and for other purposes; with amendment (Rept. No. 2863). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. FITZGERALD: Committee on Claims. H. R. 8986. A bill for the relief of Frank Baglione; without amendment (Rept. No. 2833). Referred to the Committee of the Whole House.

Mr. IRWIN: Committee on Claims. H. R. 10747. A bill for the relief of Laura Goldwater; with amendment (Rept. No. 2834). Referred to the Committee of the Whole House.

Mr. KINZER: Committee on Claims. H. R. 10849. A bill for the relief of Charles W. Dworack; with amendment (Rept. No. 2835). Referred to the Committee of the Whole House.

Mr. KINZER: Committee on Claims. H. R. 13114. A bill for the relief of Col. Richard M. Cutts, United States Marine Corps; with amendment (Rept. No. 2836). Referred to the Committee of the Whole House.

Mr. HALE: Committee on Naval Affairs. H. R. 15894. A bill for the relief of certain United States naval officers; without amendment (Rept. No. 2838). Referred to the Committee of the Whole House.

Mr. HILL of Alabama: Committee on Military Affairs. H. R. 16031. A bill authorizing the Secretary of War, under the direction of the President, to order Joseph E. Myers, major, United States Army, retired, before a retiring board for a rehearing of his case and upon the findings of such board, either confirm his retirement under the provisions of section 24–b, act of Congress of June 4, 1920, or place him on the retired list as provided by section 1251, of the Revised Statutes, for disability incurred in line of duty; without amendment (Rept. No. 2840). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PARKER: A bill (H. R. 17226) further to regulate the acquisition of control of carriers by railroad; to the Committee on Interstate and Foreign Commerce.

By Mr. HARE: A bill (H. R. 17227) granting the consent of Congress to the Charleston & Western Carolina Railway Co. to construct, maintain, and operate a railroad bridge across the Savannah River at or near Augusta, Ga.; to the Committee on Interstate and Foreign Commerce.

By Mr. GLOVER: A bill (H. R. 17228) to authorize the Leo N. Levi Memorial Hospital Association to mortgage its property in Hot Springs National Park; to the Committee on the Public Lands.

By Mr. HAUGEN: Joint resolution (H. J. Res. 513) to amend section 6 of the migratory bird conservation act, approved February 18, 1929; to the Committee on Agriculture.

By Mr. CROSSER: Joint resolution (H. J. Res. 514) proposing to amend the Constitution of the United States to authorize the Congress to reduce the daily period of time for which contracts of employment may be lawfully made; to the Committee on the Judiciary.

By Mr. PARKER: Concurrent resolution (H. Con. Res. 49) to print 1,700 additional copies of House Report No. 2789, Regulation of Stock Ownership of Railroads; to the Committee on Printing.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the Legislature of the State of North Dakota, memorializing Congress to pass Senate bill 5109, known as the farmers' farm relief bill; to the Committee on Agriculture.

By Mr. HASTINGS: Memorial in the nature of house resolution, memorializing Congress of the United States for the return of that portion of the filing fee of homesteaders of land in the State of Oklahoma which was originally set aside in the Federal Treasury to be expended for reclama-

tion purposes west of the ninety-ninth meridian; to the Committee on Irrigation and Reclamation.

By Mr. EVANS of Montana: Memorial in the nature of House Joint Resolution No. 2, Montana Legislature, petitioning Congress to pass, and the President to approve, at this session of Congress, House bill 14277, known as the Selvig bill, as amended, providing for a tax on the manufacture of flour in order to create a fund for the relief of the wheat growers; to the Committee on Ways and Means.

By Mr. LEAVITT: Memorial in the nature of House Joint Resolution No. 2, adopted by the Twenty-second Legislative Assembly of the State of Montana, urging passage of House bill 14277, by Mr. SELVIG, and for the relief of the wheat growers of the United States; to the Committee on Ways and Means.

By Mr. HALL of North Dakota: Memorial of the Legislative Assembly of the State of North Dakota, memorializing the Congress of the United States to refrain from enacting any laws imposing a tariff or embargo on petroleum products or the refined products thereof; to the Committee on Ways and Means.

Also, memorial of the Legislative Assembly of the State of North Dakota, urging an early enactment by the Congress of the United States of legislation providing for the immediate payment, upon application, of full face value of such adjusted-compensation certificates; to the Committee on Ways and Means.

By Mr. JOHNSON of Texas: Memorial of the Legislature of the State of Texas, urging relief of oil industry by limiting importation of crude oils into the United States; to the Committee on Ways and Means.

By Mr. SANDERS of Texas: Memorial of the Texas Legislature, memorializing Congress to secure relief for present conditions in the oil business by an adequate tariff on such imported commodities; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HICKEY: A bill (H. R. 17229) granting a pension to Emma Koller; to the Committee on Invalid Pensions.

By Mr. HOOPER: A bill (H. R. 17230) granting a pension to Cora M. Peters (with accompanying papers); to the Committee on Invalid Pensions.

By Mr. MANLOVE: A bill (H. R. 17231) granting a pension to Mattie Randolph; to the Committee on Invalid Pensions.

By Mrs. OWEN: A bill (H. R. 17232) granting a pension to Mary Kimmel; to the Committee on Invalid Pensions.

By Mr. PARKER: A bill (H. R. 17233) granting an increase of pension to Josephine W. McCullough; to the Committee on Invalid Pensions.

By Mr. RAMSEYER: A bill (H. R. 17234) granting an increase of pension to Jennie M. Pitman; to the Committee on Invalid Pensions.

By Mr. SHORT of Missouri: A bill (H. R. 17235) granting a pension to Martha Day; to the Committee on Invalid Pensions.

By Mr. SHOTT of West Virginia: A bill (H. R. 17236) granting a pension to Lewis Plumley; to the Committee on Pensions.

By Mr. THOMPSON: A bill (H. R. 17237) granting a pension to Charles E. Morris; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10064. By Mr. BRIGHAM: Petition adopted at a meeting of 800 New England dairy farmers in Springfield, Mass., February 19, 1931, favoring the passage of the Brigham-Townsend bill, H. R. 16836, regulating the sale and manufacture of oleomargarine; to the Committee on Agriculture.

10065. By Mr. BRUNNER: Resolution of the Alumnæ Auxiliary Catholic Summer School of America, protesting against Senate bill 4582, tariff act of 1930, and Penal Code and birth control; to the Committee on the Judiciary.

10066. By Mr. CAMPBELL of Iowa: Petition of 18 citizens of Des Moines, Iowa, urging immediate action on Senate bill 3060, known as the Wagner bill; to the Committee on the Judiciary.

10067. Also, petition of 37 citizens of Sioux City, Iowa, urging the immediate cash payment at full face value of adjusted-compensation certificates; to the Committee on Ways and Means.

10068. By Mr. CANFIELD: Petition of Rev. F. H. Austerman and 50 other citizens of Evansville, Ind., urging the passage of the Sparks-Capper amendment; to the Committee on the Judiciary.

10069. By Mr. CANNON: Resolution of House of Representatives of Missouri, General Assembly, opposing tariff or embargo on oil importation; to the Committee on Ways and Means.

10070. By Mr. CHALMERS: Letter and resolution from Mr. Henry B. Herman, secretary the American Legion, Toledo, Ohio, calling the attention of the United States Veterans' Bureau to the need which exists and requesting said bureau to supply hospital facilities for the treatment of northwestern Ohio veterans by contract arrangements with a suitable hospital in said locality, providing accommodations for a minimum of 50 men; to the Committee on World War Veterans' Legislation.

10071. By Mr. CHRISTGAU: Petition adopted by the Witoka Creamery Association, protesting against the ruling of the Commissioner of Internal Revenue with respect to the use of palm oil in the manufacture of oleomargarine, and in support of the Brigham bill (H. R. 15934) providing for a tax of 10 cents per pound on all yellow-colored oleomargarine; to the Committee on Agriculture.

10072. By Mr. COCHRAN of Pennsylvania: Petition of Albert C. Snyder, and other citizens of Hadley, Pa., in support of the Sparks-Capper resolution, providing for an amendment to the United States Constitution excluding unnaturalized aliens from the count of the population of the Nation for apportionment of congressional districts among the States; to the Committee on the Judiciary.

10073. Also, petition of Guy Coulter and other residents of Hadley, Pa., and vicinity, in support of the Sparks-Capper resolution providing for an amendment to the United States Constitution excluding unnaturalized aliens from the count of the population of the Nation for apportionment of congressional districts among the States; to the Committee on the Judiciary.

10074. Also, petition of W. P. Gilger and other residents of Hadley, Pa., and vicinity, in support of the Sparks-Capper resolution providing for an amendment to the United States Constitution excluding unnaturalized aliens from the count of the population of the Nation for apportionment of congressional districts among the States; to the Committee on the Judiciary.

10075. By Mr. CONDON: Petition of Frank D. Roy and several other World War veterans of Rhode Island, urging passage of legislation looking toward the immediate cash payment of the adjusted-compensation certificates at their full face value; to the Committee on Ways and Means.

10076. By Mr. EVANS of California: Petition of Gid Shaw and approximately 37, favoring the cash payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

10077. By Mr. FITZGERALD: Petition of Ohio Manufacturers' Association, by Charles B. King, president, Columbus, Ohio, opposing Government operation of Muscle Shoals; to the Committee on Military Affairs.

10078. Also, petition of Vivian D. Corbly, national adjutant, Disabled American Veterans, Cincinnati, Ohio, and Theodore Combs, Hamilton, Ohio, protesting against adoption of amendment to veterans' hospital bill reducing compensation 50 per cent of veterans hospitalized; to the Committee on World War Veterans' Legislation.

10079. Also, petition of 12,000 women of the American Legion Auxiliary of Ohio, urging passage of bill for appro-

priation for the entire Navy construction program as submitted by the Navy Department and in accordance with the London naval treaty; and also urging passage of World War bonus bill over President's veto; to the Committee on Naval Affairs.

10080. By Mr. GARBER of Oklahoma: Petition of Hunter Woman's Christian Temperance Union, Hunter, Okla., urging the passage of House Joint Resolution No. 356; to the Committee on the Judiciary.

10081. Also, letter of Katherine Goebel, president, Perry Council of National Council of Catholic Women, Perry Okla., protesting against passage of Senate bill 4582; to the Committee on the Judiciary.

10082. Also, petition of Walter O. Bannon, Tulsa, Okla., indorsing Senate bill 5365; to the Committee on the Post Office and Post Roads.

10083. Also, petition of Ministerial Association, Phillips University, Enid, Okla., indorsing House bill 9986; to the Committee on Interstate and Foreign Commerce.

10084. By Mr. HARE: Petition of Mary E. Riley and others, protesting against passage of Senate bill 4582; to the Committee on the Judiciary.

10085. By Mr. HOPE: Petition of Mrs. C. H. Taylor and 26 others of Chase, Kans., urging the passage of House Joint Resolution No. 356; to the Committee on the Judiciary.

10086. Also, petition of Mr. E. A. Pearce and 108 others of the seventh district of Kansas, urging the passage of House Joint Resolution No. 356; to the Committee on the Judiciary.

10087. Also, petition of Mrs. L. A. McCaffree and 55 others of Nickerson, Kans., urging the passage of House Joint Resolution No. 356; to the Committee on the Judiciary.

10088. By Mr. JOHNSON of Texas: Petition of Gibb Gilchrist, State highway engineer, Austin, Tex., favoring Senate bill 5499; to the Committee on Roads.

10089. By Mr. KADING: Petition signed by residents of Fox Lake, Wis., urging the enactment of legislation providing for the elimination of unnaturalized aliens from the count in connection with apportionment of congressional districts; to the Committee on the Judiciary.

10090. By Mr. KELLY: Petition of citizens of Natrona, Pa., urging the passage of House bill 356, providing for an amendment to the United States Constitution excluding unnaturalized aliens from the count of the population of the Nation, for apportionment of congressional districts among the States; to the Committee on the Judiciary.

10091. By Mr. KINZER: Petition of citizens of Lancaster County, Pa., urging support of the Sparks-Capper amendment, alien representation bill; to the Committee on the Judiciary.

10092. By Mr. KVALE: Petition of the Olivia League of Women Voters, Olivia, Minn., submitted by Mrs. W. A. French, secretary, favoring enactment of Senate bill 255; to the Committee on Interstate and Foreign Commerce.

10093. Also, petition of the League of Women Voters, Olivia, Minn., submitted by Mrs. W. A. French, secretary, favoring enactment of House Joint Resolution No. 292; to the Committee on Election of President, Vice President and Representatives in Congress.

10094. By Mr. LINTHICUM: Petition of Baltimore Chapters of Daughters of the American Revolution and other organizations, urging favorable action on House bills 6810, 14688, and Senate bill 4750; to the Committee on Naval Affairs.

10095. Also, petition of Bertha and Jessie L. King, Mrs. Robert B. Jones, Dr. Samuel Kendig Wallace, urging favorable action on Sparks-Capper bill; to the Committee on the Judiciary.

10096. Also, petition of Ellicott Machine Corporation, Young Women's Christian Association, Elizabeth Gilman, Dr. Harry Friedenwald, Ammidon & Co., Municipal Commission on Employment Stabilization, and Baltimore Federation of Labor, all of Baltimore, urging passage of Wagner bill, S. 3060; to the Committee on the Judiciary.

10097. By Mr. McCLINTOCK of Ohio: Petition of C. F. Hartline and 24 citizens of Strasburg, Ohio, favoring passage of the Sparks-Capper alien representation amendment to the Constitution of the United States; to the Committee on the Judiciary.

10098. By Mr. HENRY T. RAINEY: Petition of J. H. DeLong and 93 other apple growers of Calhoun County, Ill., favoring apples from certain provisions of the pure food and drug act; to the Committee on Agriculture.

10099. By Mr. RICH: Petition of citizens of Tioga County, Pa., favoring House Joint Resolution 356, known as the Sparks-Capper alien bill; to the Committee on the Judiciary.

10100. By Mr. ROBINSON: Petition of Angie Baines, president of the Woman's Christian Temperance Union, Rowan, Iowa, and 122 other citizens of Rowan, Iowa, urging the passage of the Sparks-Capper stop alien representation amendment in Congress; to the Committee on the Judiciary.

10101. By Mr. SHOTT of West Virginia: Petition of the directors of the Princeton Chamber of Commerce, Princeton, W. Va., opposing the consolidation program of the eastern railroads, in so far as the disposition of the Virginian Railroad is concerned, and urging that the Virginian be allocated to the New York Central system; to the Committee on Interstate and Foreign Commerce.

10102. By Mr. SELVIG: Petition of Women's Cooperative Alliance, Minneapolis, urging enactment of Senate bill 1812, authorizing collection of annual statistics; to the Committee on the Census.

10103. Also, petition of superintendent State Hospital, Fergus Falls, Minn., urging passage of Senate bill 1812, authorizing the collection of annual statistics; to the Committee on the Census.

10104. By Mr. SMITH of West Virginia: Resolution of the Charleston West Side Woman's Christian Temperance Union, by Mrs. W. W. Reif, president, of Charleston, W. Va., urging the passage of a law for the Federal supervision of motion pictures; to the Committee on Interstate and Foreign Commerce.

10105. By Mr. PARKS: Petition of the Young Women's Christian Association, of Oshborne, Kans., at a monthly meeting, for the Federal supervision of motion pictures as provided in the Grant Hudson motion picture bill, H. R. 9986; to the Committee on Interstate and Foreign Commerce.

10106. Also, petition of Woman's Christian Temperance Union, of Logan, Kans., favoring Federal supervision of the motion pictures as provided in the Grant Hudson motion picture bill, H. R. 9986; to the Committee on Interstate and Foreign Commerce.

10107. Also, petition of Woman's Christian Temperance Union, of Phillipsburg, Kans., favoring Federal supervision of motion pictures as provided in the Grant Hudson motion picture bill, H. R. 9986; to the Committee on Interstate and Foreign Commerce.

10108. By Mr. STRONG of Kansas: Petition of the Parent-Teachers' Association, of Tescott, Kans., favoring the enactment of the Grant Hudson motion picture bill, H. R. 9986; to the Committee on Interstate and Foreign Commerce.

10109. By Mr. STRONG of Pennsylvania: Petition of citizens of Indiana County, Pa., favoring the amending of the Constitution of the United States to exclude unnaturalized aliens from the count of population for congressional apportionment; to the Committee on the Judiciary.

10110. By Mr. WOLFENDEN: Petition of George R. Crosgrove and others of Chester and Marcus Hook, Pa., favoring the passage of the proposed Sparks-Capper stop alien representation amendment (H. J. Res. 356); to the Committee on the Judiciary.

SENATE

MONDAY, FEBRUARY 23, 1931

(Legislative day of Tuesday, February 17, 1931)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names: